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A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
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FEATURE ARTICLE.....

Employment Conditions
in the Quebec Region.

Volume 7

Number 1

NATIONAL ANALYSIS

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CANADIAN LABOUR MARKET, January, 1950

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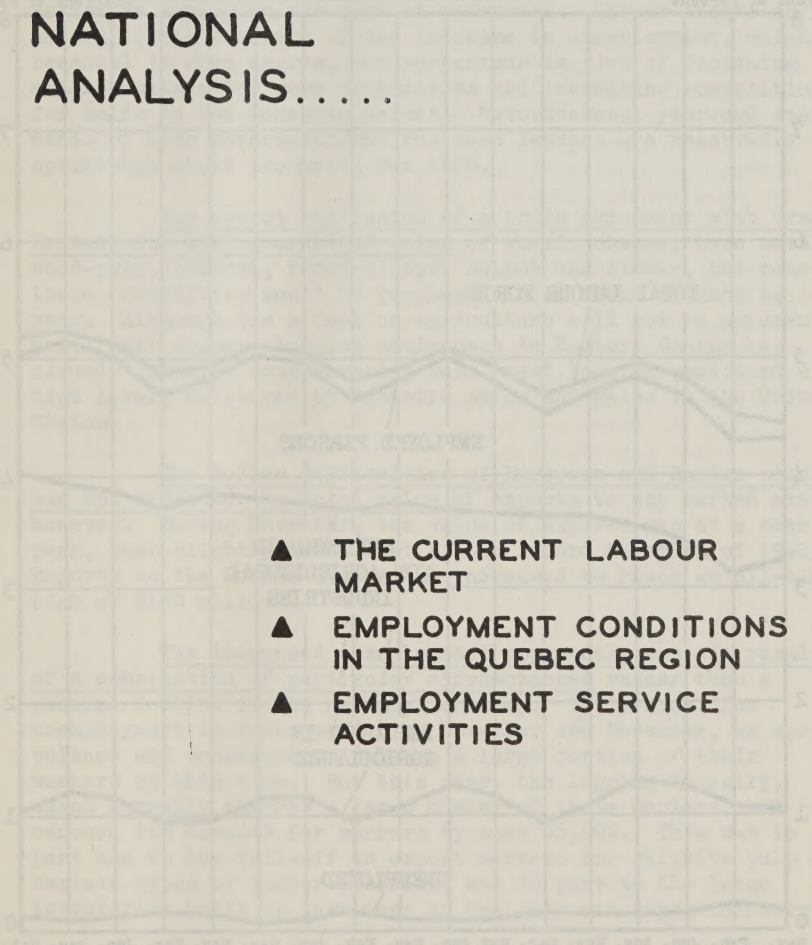
CANADIAN LABOUR MARKET Economics and Research Branch Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

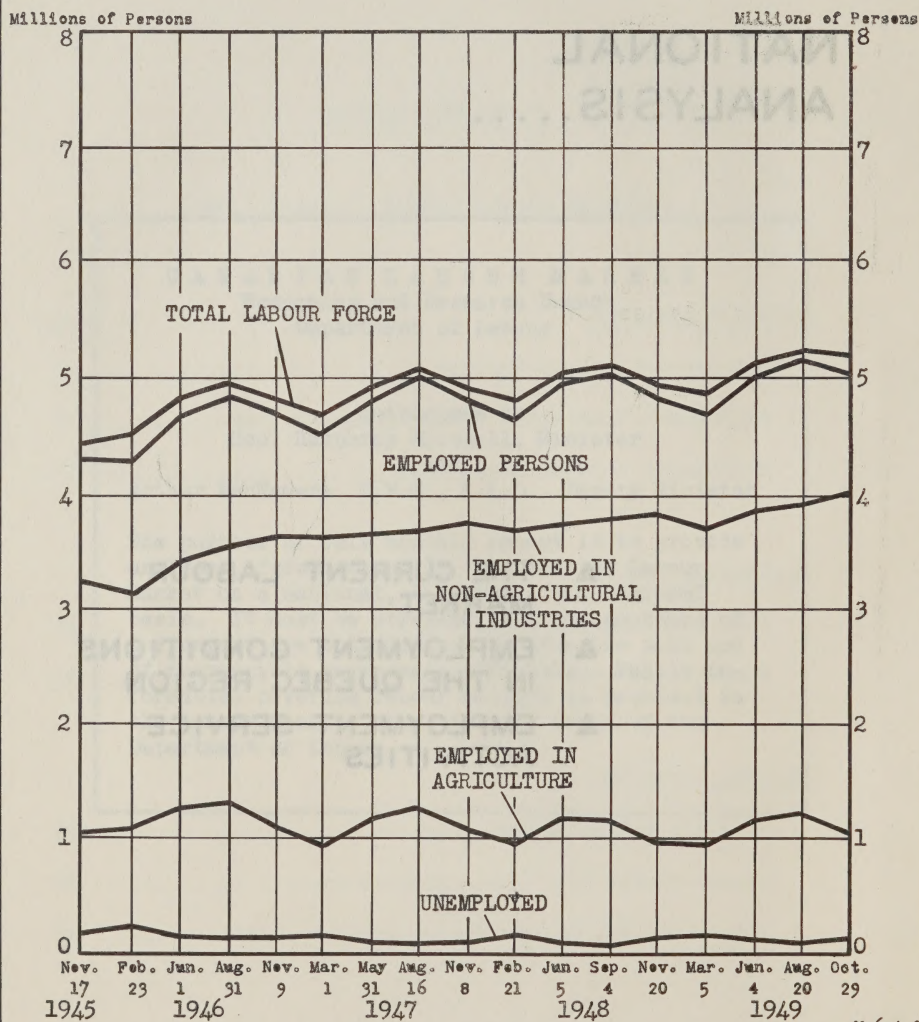
The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

TRENDS IN THE LABOUR FORCE 1945 - 1995

NATIONAL ANALYSIS.....

- 
- ▲ THE CURRENT LABOUR MARKET
 - ▲ EMPLOYMENT CONDITIONS IN THE QUEBEC REGION
 - ▲ EMPLOYMENT SERVICE ACTIVITIES

TRENDS IN THE LABOUR FORCE 1945 - 1949



THE CURRENT LABOUR MARKET

In December of 1949, Christmas business appeared to be about on a par with last year's records, although there was more selective buying on the part of consumers. Labour income as yet showed little evidence of the increase in unemployment, which was seasonal in some degree, but portentous in view of declining export markets for some commodities and increasing competition for sales in the domestic market. Nevertheless, year-end statements of both government and business leaders are reservedly optimistic about prospects for 1950.

The recent conclusion of a trade agreement with Great Britain for 1950 guaranteed sales of wheat, cheese, base metals, wood-pulp, tobacco, ferro-alloys, salmon and timber, but none of these commodities would be purchased in as large amounts as last year. Although the effect on agriculture will not be apparent until next summer, logging employment in Eastern Canada has already suffered considerably; West coast logging continued at a high level, bolstered by domestic sales and sales to the United States.

The dollar difficulties of European and Empire countries had not affected the total value of exports to any marked extent, however. During November, the value of exports was at a near peak, just slightly below that of the record November of 1948. Exports to the United States had increased to reach an all-time high of \$173 million.

The increased unemployment apparently was the result of a combination of particular circumstances rather than a general decline in the national economy. It is usual for unemployment to increase during November and December, as agriculture and construction release a large portion of their workers at this time. But this year, the logging industry, which normally absorbs a large number of these workers, had reduced its demands for workers by some 35,000. This was in part due to the fall-off in export markets for sulphite pulp and certain types of lumber products, and in part to the large inventories built up last year in the pulp and paper industry.

The unemployment totals were increased by lay-offs in some industries beginning to feel the effects of the devaluation of the pound sterling. Among them was the primary textile industry, which had to meet with increased British competition at

a time when the domestic market was weakening. A large segment of the Canadian merchant marine, unable to face competition from sterling area vessels, was transferred to British registry. This would mean fewer jobs for Canadian seamen but the nucleus of the merchant navy kept would be operating on a sounder economic basis.

The existence of special problems in different industries and regions meant unemployment was unevenly distributed. The Maritimes, whose economy is based on primary industries and linked very closely with the British market, was probably facing the most serious unemployment situation. Quebec also was considerably affected by the drop in logging employment, as was the Head-of-the-Lake district in the Prairie region. There was little serious unemployment in Ontario, where diversified manufacturing industries produced chiefly for the domestic market. Recent storms disrupted activity in the Pacific region.

With unplaced applicants mounting weekly at employment offices throughout Canada, the January 1 totals pointed up Chicoutimi and Sorel as the only areas where the shortage of jobs was considered "acute". In several other areas in Quebec and the Maritimes, the unemployment problem was designated as "serious". Thus, although national totals showed employment at a high level, there were several areas where unemployment has caused concern and where the implementation of government projects has been under consideration.

SELECTED LABOUR MARKET TRENDS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date This Year From Same Period Last Year
Civilian Labour Force (a) ..	Oct.	5,200,000	-	+ 2.5	+ 2.2
Total Employment (a)	Oct.	5,053,000	-	+ 2.0	+ 1.6
Total Unemployment (a)	Oct.	147,000	-	+25.5	+29.7
Index of Employment (b) Av. 1941=100	Nov. 1	132.8	- 0.2	- 0.7	+ 0.5
Unplaced Applicants (c)	Jan. 1	274,000	+24.1	+46.8	+46.8
Live Claims (d)	Dec. 1	152,000	+43.7	+81.9	+52.3
Man Working Days Lost by Strikes	Dec.	24,000	-	-	+19.8
Labour Income	Oct.	\$ 663,000,000	+ 0.2	+ 4.7	+ 7.8
Average Weekly Earnings (e)	Nov. 1	\$ 42.59	+ 0.4	+ 3.5	+ 7.7
Average Hourly Earnings (e)	Nov. 1	\$.99	+ 0.2	+ 4.2	+ 8.4
Real Weekly Earnings (f) Av. 1946=100	Nov. 1	107.7	+ 0.7	+ 2.1	+ 3.6
Average Weekly Hours (e) ...	Nov. 1	42.8	+ 0.2	- 0.7	- 0.6
Cost of Living Av. 1935-39=100	Dec. 1	161.5	- 0.1	+ 1.6	+ 3.8
Retail Trade	Nov.	\$ 661,340,000	- 5.1	+ 1.7	+ 6.1
Industrial Production Av. 1935-39=100	Nov.	184.5	- 0.6	- 0.4	+ 1.4
Immigration	Nov.	6,400	-15.9	-42.9	-22.0

(a) Estimated on basis of a one per cent sample of the population. The figures for October include Newfoundland totals, although these were excluded when the percentage change was calculated.

(b) Based on firms of 15 or more workers in nine leading industries.

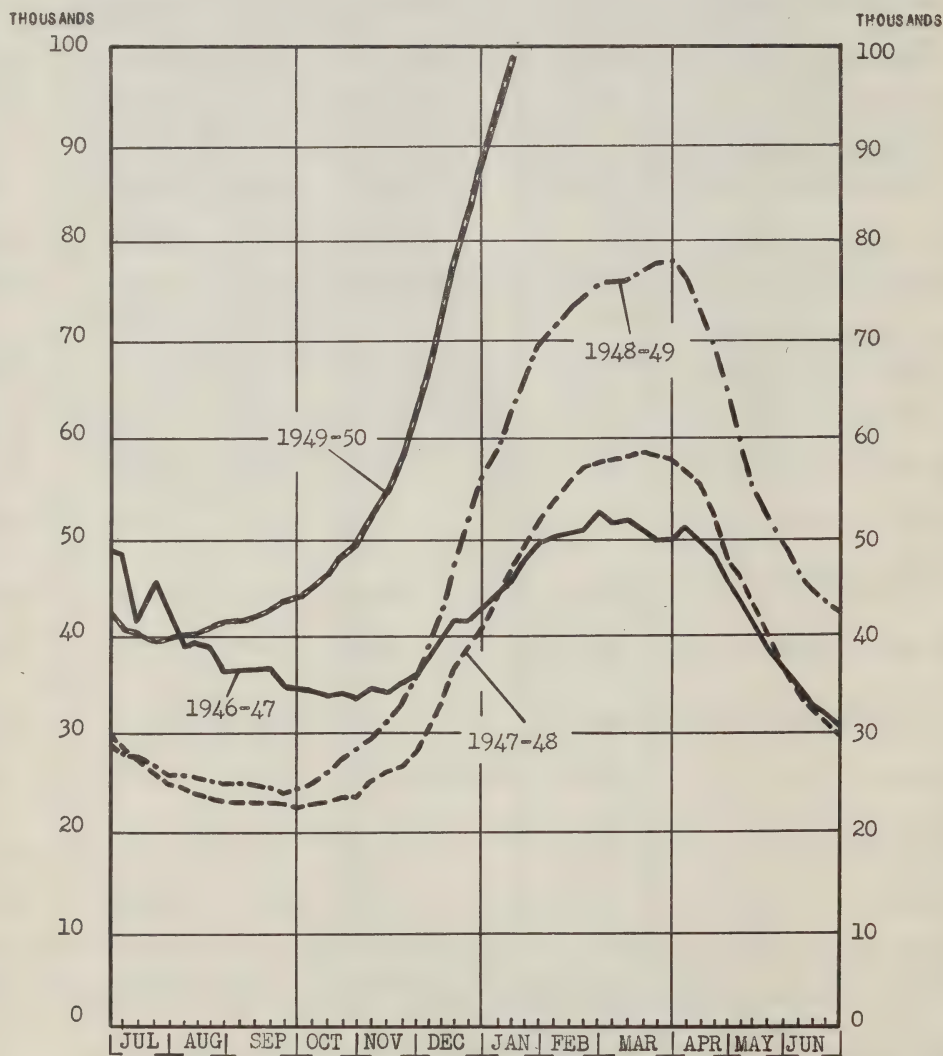
(c) Registered with National Employment Service Offices.

(d) Ordinary claims only.

(e) Wage earners in manufacturing only.

(f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.

UNPLACED APPLICANTS - QUEBEC REGION 1946 TO DATE



EMPLOYMENT CONDITIONS IN THE QUEBEC REGION

The current employment situation in Quebec is considerably more serious than last year, with unemployment estimated at about 5.5 per cent of the regional labour force, as compared to slightly over 3 per cent at the end of 1948. At the end of December, job seekers registered with the National Employment Service numbered 88,000, an increase of 32,000 over last year. Further increases in the number of persons out of work will probably occur before more employment opportunities appear in the spring.

There is little to suggest the possibility of improvement in the employment situation in most industries for the rest of the winter. Foreign market difficulties are likely to continue having an adverse effect on the industries which provide most of the employment in Quebec; domestic demand for many manufactures shows signs of weakening because of over-production in some lines, increased competition from goods imported from Europe, and reduced purchasing power in some areas. On the other hand, the lower level of employment in many industries is likely to mean that late winter lay-offs will be less severe than previously; and the effects of preliminary arrangements for extensive developments in the Ungava and Chibougamau districts may help to strengthen the situation during the immediate future.

On balance, the combination of a still growing labour force and either static or reduced employment levels in most industries will probably mean a substantially higher winter peak of unemployment in the Quebec region this year.

To assist in appraising the outlook for employment in Quebec for the next few months, the following is a brief analysis of the current employment situation in the region and a summary of the employment outlook for the more important industries.

THE CURRENT SITUATION

Measured by registrations with local National Employment Service offices, there has been a substantial increase recently in the number of persons seeking jobs in the Quebec region. The total number reported at December 29 was 88,300, an increase of 32,400 or 58 per cent over last year. This is the largest percentage increase among the five regions. Increases in the other four ranged from 14 per cent in British Columbia to 50 per cent in the Maritimes (excluding Newfoundland); while that for all Canada was 47 per cent.

Changes in the number of unplaced applicants in the Quebec region over the early winter in the post-war years may be seen in the following table. In this connection it is significant to note that, as compared with the figures for 1946, the 1949 data for Quebec shows an increase of 106 per cent, while those for other regions range from 24 per cent in the Prairies to 84 per cent in British Columbia.

Unplaced Applicants - Quebec Region
(at the end of December)

	<u>Total</u>	<u>Male</u>	<u>Female</u>
1946.....	42,762	34,696	8,066
1947.....	40,793	31,283	9,510
1948.....	55,877	45,759	10,118
1949.....	88,255	70,014	18,241

Over the recent year there has been a gain of 53 per cent in registered male job seekers, and a rise of 80 per cent in the number of women workers who are seeking employment. The substantial increase in the number of male applicants has been due largely to a marked reduction in woods operations in the region, some lay-offs in textile and leather plants, lowered activity in the manufacture of heavy transportation equipment and very slack conditions in shipbuilding. Some of the larger logging employers, in addition to taking fewer workers this year, no longer pay transportation costs to the job. The usual demand in the United States for Quebec bush workers has been sharply curtailed by the existence of an adequate labour supply in the Northeastern States. In addition, the usual seasonal employment declines in agriculture, shipping and construction add to the total of those out of work.

That female applicants are so much more numerous is due partially to production cutbacks in the leather products industry and textiles and to the greater availability of male workers for many industrial jobs. There are also fewer job opportunities for clerical and service workers.

This upward trend in unemployment in the Quebec region is also reflected in the data on ordinary claims for unemployment insurance benefits, which, totalling 52,760 at the end of November, 1949, were double the comparable figure for 1948, and 14,300 (or 37 per cent) above the October, 1949, total. Thus 78 per cent of the registered job seekers were claimants for unemployment insurance this year, in contrast to about 68 per cent last year. The number of other claims, composed primarily of those submitted by workers on short time in the textiles and leather products industries, rose from 1,500 in 1948 to over 4,200 at the same period in 1949.

While it is true that, during the year ending August 20, 1949, the labour force of the Quebec region is estimated to have increased to 1,458,000, a growth of 54,000 or about 4 per cent, a more significant factor in the higher level of unemployment in the region would appear to be a decline in the rate of growth of employment. In all previous post-war years, employment in Quebec expanded faster than did the labour force; but the increase in employment from September, 1948, to August, 1949, was only 2.7 per cent. Thus perhaps half of the current total of unemployed results from a contraction in the number of job opportunities in the region. For all Canada, the increases in the labour force and in employment over the year were 2.8 per cent and 2.2 per cent, respectively.

The following table shows the growth of the labour force and of employment, and illustrates the accompanying inter-industry shifts of workers. Of these, perhaps the most significant is the decline in the agricultural labour force indicated by the 4.3 per cent decrease in these estimates.

Approximate Distribution of the Labour Force¹
Quebec Region

(Thousands of Workers)

Class	Sept.1 1949	March 1 1949	Sept.1 1948	Sept.1 1946
Labour Force.....	1,458	1,385	1,404	1,372
Employed.....	1,422	1,318	1,384	1,330
Agriculture.....	268	207	280	299
Forestry.....	25	63	32	31
Fishing & Trapping.....	4	2	2	1
Mining.....	16	12	11	9
Manufacturing.....	458	443	434	419
Construction.....	113	78	103	85
Transportation & Communications..	115	104	117	100
Trade.....	172	165	162	148
Finance.....	43	44	41	34
Services.....	208	200	202	204
Unemployed.....	36	67	20	42

¹These approximations were prepared by the Economics and Research Branch of the Department of Labour on the basis of data from the Dominion Bureau of Statistics and other sources.

THE OUTLOOK

In turning to an appraisal of the employment outlook for the Quebec region, there are several general circumstances having a particular bearing on the regional economy that must be borne in mind. Predominant among these is the rather sharply defined division of the economy into primary and secondary industrial segments. Especially in the Gaspé and Northern areas, and diminishing in degree as proximity to the Montreal area increases, the fishing, logging and mining industries provide a large proportion of all employment. These industries, as well as agriculture, have a large seasonal labour force which is accustomed to transferring regularly between them. In the absence of employment opportunities in any one of these industries, however, this group of workers turns in search of jobs to the industrial areas of the region, the most important of which are the Montreal area, the Eastern Townships, the area along both sides of the St. Lawrence River between Montreal and Quebec City and the Lake St. John district. As a result of any reduced employment in the primary industries, the influx of job seekers into the larger urban centres usually poses special problems, both economic and sociological; and secondary and service industries in the areas from which these workers move suffer because of reduced purchasing power.

General factors of another type are those features of the current international trade situation that affect Quebec industries. The recent devaluation of the £ Sterling has caused losses of overseas markets to Quebec producers of railway locomotives and rolling stock, and chemicals, among other manufacturing. In the first instance, a contraction of Sterling area markets had already brought some reduction of employment to the industry earlier in the year. On the other hand, the improved competitive position in Canadian markets of many European imports, especially textile and leather products, is likely to pose production and marketing problems for Quebec manufacturers of similar products. Some uncertainty has already appeared in both the textiles and leather products industries. For industries such as pulp and paper manufacturing, the new rate of U.S. - Canadian dollar exchange may strengthen the competitive position of Canadian products in United States markets. Where Quebec industries require equipment, materials or parts from the United States, however, the new dollar ratio will increase costs. This applies, for instance, to the primary textile industry and some iron and steel fabricators.

Primary Industries

The proportion of workers in agriculture in the Quebec region has declined from an estimated 22 per cent of the total regional labour force in 1946 to 18 per cent in 1949. In the fall of 1949, farm workers in Quebec totalled 227,000, of whom about 15,200 were paid workers. The decline in farm employment may be attributed in part to the progress



A TYPICAL FARM AT LA MALBAIE, P.Q.

of farm mechanization in recent years, especially around Montreal and in the Eastern Townships. Another significant factor has been that many farms have already been subdivided among family members to the economic limit, and this traditional practice can no longer be carried out. It is probable also that the preference for factory or other employment over farm work, acquired by a great many Quebec farm workers during the war, has helped the general movement of population from rural areas to the towns and cities.

Crops this year have been generally fair to average, although the tobacco crop was somewhat less favourable than previously. While perhaps slightly reduced by a small decline in the total value of Quebec farm output and generally lower prices for produce, farm income in the Quebec region this year does not appear to be significantly lower. There are already indications, however, that more agricultural workers are remaining in farm jobs this winter, despite lower pay and relatively unattractive working conditions, because opportunities for alternative employment are scarce.

Winter forestry operations throughout Quebec, which last year provided employment for over 65,000 workers, are considerably below the 1948-49 level. Logging output in the Gaspé area may be close to last year's level, although employment there will be considerably less, but in the Quebec City area activity is as much as 30 per cent lower. Operations in the Saguenay (Lake St. John) district have already been severely curtailed, and employment there is likely to be only 50 per cent of last year's volume. Small scale and independent cutting by farmers during the winter may be relatively active, principally on speculation, since larger contractors are employing fewer of these workers than previously. Lower pay this year is causing a high rate of labour turnover between logging camps. Consequently, employment is more frequently interrupted and income is lower.

In addition to the lower level of activity, the winter logging season is likely to be shorter this year. Smaller contracts and greater mechanization have enabled contractors to complete quotas earlier than usual. Cutting may be over by mid-January. Log hauling in many areas may also involve fewer workers for shorter periods of time.

Activity in deep-sea fishing, which provides 80 per cent of all fishing employment in the region, is concentrated almost entirely between the beginning of May and the end of October. The busiest period, during which some 5,000 persons are employed in fishing, extends little beyond the end of July. Principal catches are groundfish (largely

cod) and herring. Landings this year have been relatively good, but it is probable that many fishermen will be faced with difficulties this winter due to the scarcity of logging employment.

The continued gradual expansion of mining activity in Quebec, due largely to the beneficial effects of the re-alignment of international exchange rates, may increase employment in this industry to over 18,000 this winter. The usual volume of seasonal labour turnover in mining, however, is not likely to be reached this winter. Many miners who habitually left for employment in the woods will remain in the mines this year. Too, the inclination to take winter woods employment is not strong among the many displaced persons now employed in the mines. There will be increased activity in prospecting throughout the winter, especially in the Chibougamau district, where new developments and the re-opening of dormant properties may help to relieve unemployment around Lake St. John and the Saguenay. While the over-all outlook for Quebec mining, then, indicates a level of employment increasing gradually beyond that of last year, it is probable that fewer seasonal workers will get their customary winter jobs in this industry.

Manufacturing

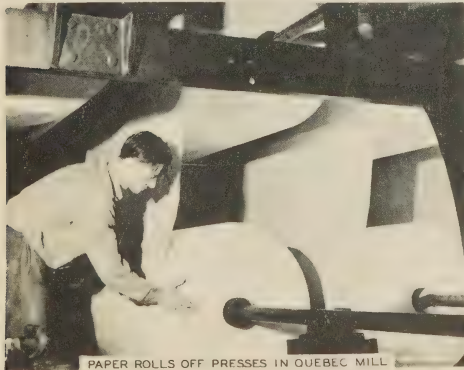
A generally cautious attitude prevails throughout manufacturing in the Quebec region, and is likely to continue at least until the international trade picture becomes clearer. Total manufacturing employment continued to rise during 1949 to over 455,000 but may decline slightly during the winter months due to seasonal fluctuations aggravated by market uncertainties. Among the manufacturing industries most important to the Quebec economy from the standpoint of employment, textiles, iron and steel and wood products industries predominate. All of these have felt, in some manner and degree, the pressure of post-war re-adjustments in the foreign trade situation.

This winter's peak of employment in the textiles industry will probably approximate the October, 1949, figure of 91,000, which is some 4,000 above the comparable figure for the previous year and 2,000 above the 1948-49 winter peak. However, British competition following Sterling devaluation has already brought extensive short-time work to the industry; lay-offs during the late fall lessened the magnitude of the usual seasonal upswing in employment. These unsettled conditions may be expected to continue well into 1950. As a result, employment may decline somewhat more sharply than usual during January, to about 88,000 and the subsequent increase toward the spring employment peak may be smaller. Short-time work and lay-offs are also prevalent in the leather products industry. Manufacturers, facing increased competition from European leather goods, are unwilling to produce in excess of the requirements of a relatively slack current market.

Total employment in the Quebec iron and steel industries declined through 1949 to 65,500 at October 1, about 7,500 below the comparable 1948 figure, due largely to the slackening of activity in shipbuilding and in the manufacture of other heavy transportation equipment. While the heavy industries have not yet suffered from the recent United States steel strike, they may meet steel shortages before American industries can increase production sufficiently to maintain shipments. However, several smaller secondary manufacturers in Montreal and Quebec City were forced to curtail production and employment when supplies of material and parts from the United States were cut off, and recovery may be slow. Improvement in shipbuilding is unlikely before spring, and other heavy industries are not expected to regain much, if any, of their lost Sterling area markets in the near future. Thus, despite the recruiting of some Quebec steel workers for employment in Ontario, unemployment among workers in the iron and steel industries of the region will probably be considerably above last winter's level.

In the manufacture of non-ferrous metal products, a highly competitive market has brought reductions in total employment and, despite the anticipated re-hiring of about 1,000 workers at the Canadair plant in Montreal around the end of January, the winter level of employment in this industry is seen as somewhat below that of last year. In the chemicals industry, a slight slackening has been noted as current contracts are completed, and exporters are finding that foreign markets have deteriorated. Employment in this industry, which totalled about 18,000 at October 1, 1949, and was slightly above the 1948 level throughout the year, is likely to continue through the winter at about the same level as last year.

Employment in the Quebec pulp and paper industry reached a peak of almost 45,000 in July, 1949, and has declined slightly since then. The price advantage now enjoyed by Canadian products selling in United States markets has helped maintain the relatively firm outlook for Quebec newsprint exports to that country, despite a greater volume of newsprint production in the United States. On the other hand, exports of raw pulp to the United States are expected to be smaller, and the outlook for Sterling area markets for pulp and paper is poor. Extensive lay-offs are not anticipated, but short-time work is probable throughout the industry during the winter months.



PAPER ROLLS OFF PRESSES IN QUEBEC MILL

Demand for lumber for building purposes is apparently holding up well, both in Canada and the United States. This has maintained employment in the lumber and lumber products industry

at roughly 20,000 workers throughout 1948 and 1949, despite the usual seasonal decline in demand from the construction industry and weakening markets for lower grade furniture. Scattered lay-offs have resulted from a slackened demand for plywoods and veneers. Total winter employment in this industry is predicted as somewhat below the 1948-49 level.

Other Industries

The level of employment in indoor construction work this winter will be even higher than last year, unless shortages of cement and structural steel become acute. The seasonal reduction in a total construction labour force of record size, however, will release a greater number of workers from outdoor work than in previous years.

The number of unemployed transportation and communications workers will probably exceed last winter's level. Seamen and dock workers who cannot move to winter ports on the east coast, where employment opportunities are also scarce, will have difficulty in finding alternative employment for the slack season. Construction and maintenance will be largely inactive throughout the winter, but operational employment in communications is expected to remain stable.

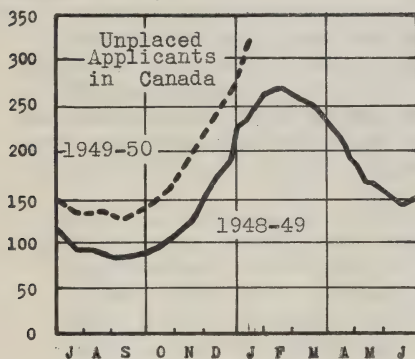
With purchasing power reduced in many areas, wholesale and retail trade have already been somewhat curtailed. The temporary increase in trade employment during December has not had any significant effect on the over-all situation, and the balance of the winter may bring more than seasonal employment reductions. The service industries should employ about the same number of workers as last year. Continuing unseasonal weather has discouraged winter resort operators from hiring to the usual extent, however. Domestic help is now more available in some areas, but demand is irregular and may continue so.

Conclusion

Taking all these factors into account then, the outlook for the balance of the winter is more serious than it was last year. In the areas now most seriously affected (the Saguenay district, the Quebec City areas and Sorel, for instance) little improvement is anticipated during the balance of the winter. In still other areas, the situation may continue to deteriorate. Before spring activity commences, the number of persons seeking work through the National Employment Service in Quebec may reach a peak of over 110,000 or about 9 per cent of the regional labour force. Last year, at the height of seasonal unemployment, unplaced applicants amounted to 6 per cent of the labour force.

EMPLOYMENT SERVICE ACTIVITIES

Thousands



December and early January. By January 5, the total number unplaced had reached an unexceeded post-war record of 298,000 (238,000 men and 60,000 women).

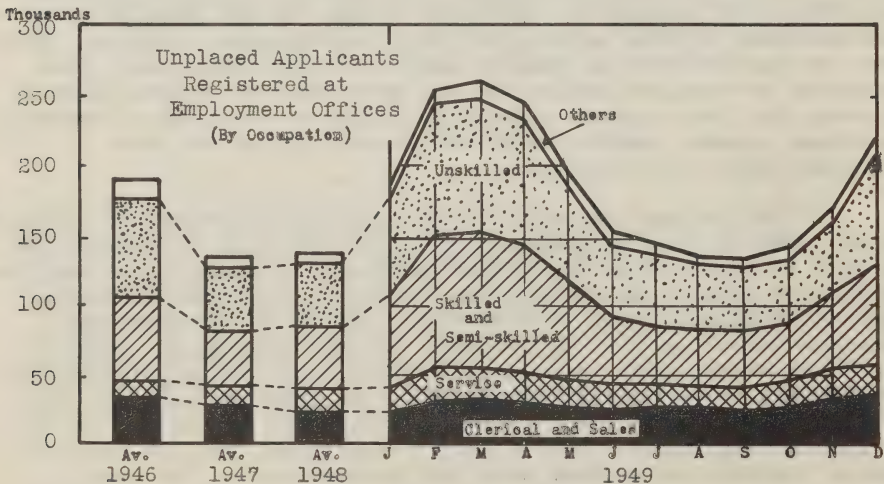
Christmas jobs boosted placements during December to a level above both that of November, 1949 and December, 1948. This year almost all hirings for the postal service were done through the Employment Service. Apart from these temporary jobs, however, vacancies on file had been reduced to an all-time low. One reason for the few jobs reported is the tendency for employers to hire "at the gate" at this time when many jobless workers are contacting employers directly. However, it also reflects the general scarcity of jobs available. This situation has resulted mostly from the curtailment of outdoor activity although also from factors, such as the dollar difficulties of overseas countries, greater competition in the domestic market and more efficient production techniques.

The seasonal nature of the increase in job seekers is indicated in the types of workers affected. Up to the beginning of December, 39 per cent of the increase in unplaced applicants occurred in the unskilled group. The skilled and semi-skilled categories this year are showing more rapid increases than in other years, and by the December date accounted for 38 per cent of the rise. In both classes, the construction occupations showed the most predominate gain. Sales, clerical and service workers, while equal in number to the other major groups, are less affected seasonally and accounted for only 22 per cent of the gain in unplaced applicants. Much of this rise resulted from the registration of students and married women for Christmas work. The chart shows the month to month changes in these major occupational groups.

Increasing numbers of the applicants are filing claims for unemployment insurance benefits. By the beginning of December, 78 per cent of all applicants were seeking benefits, as against 67 and 63 per cent one month and one year before respectively. These include casual and short-time claimants. Despite the decided increase in unemployment insurance activity over the year - there were 85,000 more persons seeking benefits this year than last at the beginning of December - the claims are remaining on file for approximately the same length of time as in 1948. Just under one-half of all those seeking benefits have been registered for from one to two weeks; about one-quarter have remained on file for two months or over while the remainder have been registered for from two weeks to two months.

Of the 172,000 live claims reported at December 1, 20,000 were short-time, casual or postal claims. This latter group is four times greater than at the same period in 1948, which has resulted mostly from the increase in short-time claims. Many firms have adopted the policy of working several days a week or reduced hours rather than close down the plant. In such cases, provision is made under the Unemployment Insurance Act for workers to be compensated for the period of unemployment.

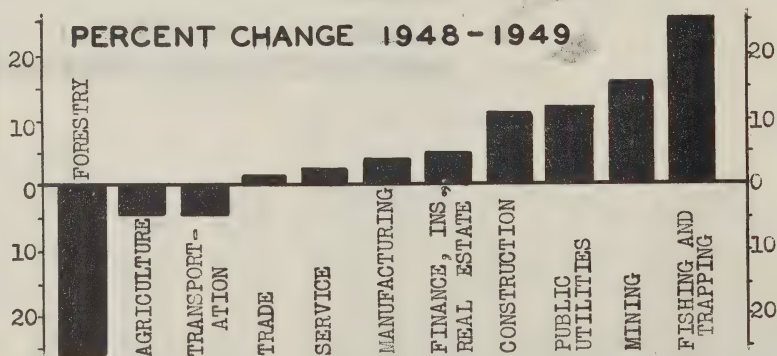
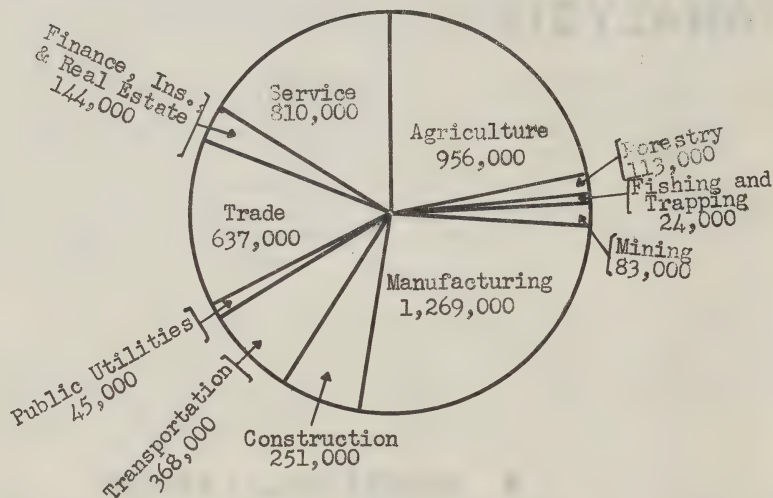
Over 80 per cent of the claims adjudicated during November were entitled to receive benefits. This represented the highest proportion yet recorded. The main disqualification continues to be insufficient contributions, which accounted for over one-half of those not entitled to benefit during the month. The number receiving benefits for the mid-week in November totalled 104,000.



INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR
MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

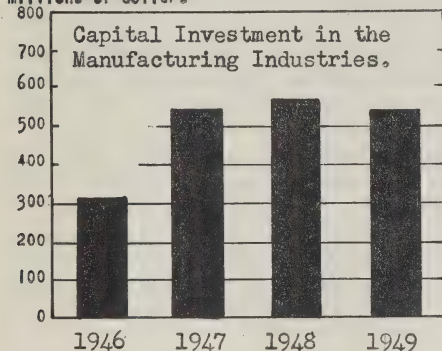
DISTRIBUTION OF EMPLOYMENT BY INDUSTRY, 1949



INDUSTRIAL LABOUR MARKET

MANUFACTURING

Millions of dollars



1,100,000.

Employment in the manufacturing industries remains high, at approximately the same level as in 1948. This is in spite of the effect of such adverse developments as a lower volume of export trade and a reduction in forward buying. Other factors, such as the continued high volume of consumer spending and of capital investment, have been helping to sustain employment and production. Manufacturing remains the largest employer of labour among the major Canadian industries, with a paid-worker labour force of nearly

Employment opportunities offered by manufacturing plants have been fewer in total during 1949, however. New industrial building has slowed down; the labour force has been more stable; new production methods and machinery have in some cases reduced labour requirements and short-time and lay-offs have become more prevalent. Job-seekers as a result have tended to be taken on in other expanding industries, construction, agriculture or transportation and communications for example.

Toward the end of the year, an increasingly large number of workers, laid off from manufacturing employment were registered as unemployed applicants, most of whom were claiming unemployment insurance benefits. Unskilled workers have been especially hard hit by this periodic unemployment. At December 1, 1949, there were 21,000 persons registered under unskilled manufacturing occupations, with another 41,000 in unspecified unskilled occupations. There were considerable numbers of skilled workers also claiming unemployment insurance benefits at this time—9,000 in metalworking occupations; 5,000 in secondary textiles; 3,000 in primary textiles; 1,400 in leather and leather products; and about 1,500 in food products occupations. The duration of unemployment for many of these was short but on the whole an increase in seasonal unemployment among manufacturing employees occurred this fall.

The outlook for the manufacturing industries in 1950 based on reports received by the Department of Labour from employers, indicates a continued levelling-off in employment. Less favourable marketing conditions are expected to prevail in several industries, including food processing, secondary forest products and textiles.

TRANSPORTATION

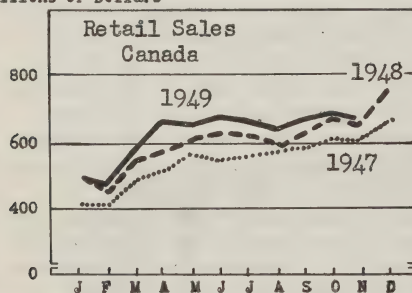
Employment in the transportation industries has been declining, both seasonally and in comparison with the previous year. Latest data, which referred to November, 1949, give the number employed in all types of transportation work as 369,000, about 20,000 less than the same month in 1948.

Short term lay-offs occurred in both water and railway transportation during December. As operations came to a close with the end of the season, some 1,800 seamen registered for work with the National Employment Service. In some sections of the railway industry, staffs were being reduced while other departments were taking on men. Reduction in passenger schedules by the Canadian National Railways resulted in lay-offs in the running trades for the most part. The total released was estimated at 500 by railway officials. In Montreal and Winnipeg shops, several hundred men in the mechanical trades were affected by lay-offs. On the other hand, some re-hiring was in progress, as a result of heavy holiday business. Snowfalls early in December resulted in employment of crews for short periods.

The long-term outlook for the Canadian merchant marine is not bright. The volume and price of cargoes has fallen off in comparison with the immediate postwar period. In part, this has been due to a drop in the volume of trade but increased competition from foreign ships has also been an important factor. The subsidization program of the Dominion government will enable about 40 ships to keep operating; two years ago the fleet was comprised of 250 vessels. The loss in employment as a result is estimated at approximately 5,000.

RETAIL TRADE

Millions of Dollars



Seasonal expansion in retail trade employment in the last two months of 1949 was slow in getting under way as mild weather reportedly held up both mail order and store sales. Many firms reported that most of the Christmas buying was done in the two weeks before Christmas.

Although hirings in anticipation of Christmas sales were slightly below 1948, both employment and the dollar value of sales were higher. This apparent contradiction is explainable in terms of decreased labour turnover, more efficient staffs and improved labour supply. The prospect of lower sales volumes in some areas of the east where the decline in logging employment has reduced purchasing power and in the Western districts where crops were poor was also a limiting factor.

The supply of workers was ample to meet demand arising out of the Christmas season. More applicants, both male and female, were available for sales work and employers were interested chiefly in experienced help. Considerable demand was reported from the larger department stores in the larger cities such as Toronto, Montreal and Winnipeg but these stores have built up lists of applicants from which they draw their holiday staffs. Most employers were reluctant to make estimates of their employment requirements in 1950 but indicated there might be reductions in permanent staffs as well as the usual seasonal lay-offs.

MINING

Employment in mining which totalled 87,000 at November 1, was at its highest point since 1941.

The Dominion Bureau of Statistics index of mining employment at that date was 184.9 (1926=100), as against 181.5 one year previous. Demand for additional workers was not strong at the end of the year, although fully experienced men were generally readily placed in employment. Labourers were in good supply with little demand.

Several factors combined to limit employment expansion during December. Weather conditions brought prospecting and diamond drilling to a halt and stone quarries were also closed for the season. Power shortage curtailed operations in some northern Ontario gold mines. Drilling in western oil fields was held up by lack of transportation facilities and markets. Outside work on the main pipe line from Edmonton to Regina will not get under way until spring.

With a coal shortage resulting from a slowdown in the industry in the United States, coal mining was active on the east coast. Western coal mines were also generally operating at capacity, although some companies in the Edmonton area were on a three-day week. Employment and production were increasing in the Quebec asbestos field, where 2,000 workers in the three major companies had signed a new contract for 1949 and 1950 providing for a 10 cent an hour retroactive wage increase.

LOGGING

Hauling operations in the eastern Canada logging industry were held up this season by lack

of snow and mild weather, although cutting was generally completed during December. As well, about one-quarter of the loggers usually go home for a few days at Christmas. These factors, together with a general reduction in cutting operations, combined to keep year-end activity in the bush at a low level. Employment has been estimated as about one-third less than in the 1948-49 season.

Surpluses of labour continued to exist in all logging areas.

Demand for workers was slight and easily filled locally. About 3,000 loggers in the east were registered as unplaced at the local employment offices, with many others contacting the operators directly in search of work. Wages offered were usually about the same as last year, although a few areas reported a downtrend in the wage level.

In British Columbia, heavy snowfalls aggravated existing weather conditions, making work in the woods impossible. Unemployment among loggers was very heavy during December, with entire staffs laid off in some companies. Some operations were re-opened in January but in many cases the shutdown will continue during February and March. As in the east, employment this winter has been below 1948-49 levels. The Dominion Bureau of Statistics index at November 1, 1949 (June 1, 1941: 100) was 154.0 compared to 187.0 at November 1, 1948.

CONSTRUCTION

Employment in construction work was tapering off during December, although completion of projects left over from the record billion-dollar construction season in 1949 was expected to maintain a better than average level of employment during the winter. It was probable, however, that about one-third of the peak labour force of 350,000 would not be required in the off-season.

Generally speaking, most first-class tradesmen were at work, but unskilled and semi-skilled labour was feeling the effect of seasonal lay-offs. Rough carpenters, painters, cement finishers, bricklayers and workers with similar occupations were hampered by weather conditions, but finishing carpenters were being kept busy on inside work. In railway and highway construction work, seasonal unemployment was also extensive.

Weather was more of a limiting factor than usual in British Columbia, with heavy snowfalls and cold weather halting work during December. A certain amount of employment was provided in repairing damage done by flash floods and heavy rains earlier in the month, however.

CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Non-seasonal lay-offs in the transportation equipment manufacturing industry accounted for about 50 per cent of all lay-offs in both November and December. In November, lay-offs in this industry were mainly in automobile manufacturing firms and feeder plants, and resulted from the United States steel strike and the General Motors strike at Oshawa. In December, 2,500 workers were laid off for several weeks because of a change of models at the General Motors plant at Oshawa. In other sections of the same industry (railway rolling stock, and shipbuilding) there were 1,800 lay-offs reported. These were due mainly to a shortage of orders.

Lay-offs in the shipbuilding industry in December were the result of a normal seasonal slackening, and the fact that many yards are in a between-contract period. New contracts will help sustain activity in this industry in 1950 although there is little likelihood of any increase in employment. The Davie Shipbuilding & Repairing Co. Ltd. at Levis, Quebec, released 250 men, Yarrows Ltd., Victoria, B.C.-60, while the Midland Shipyards Ltd. released 64 men. There had been very few lay-offs in this industry in November.

The railway rolling stock manufacturing industry released 1,375 workers in December, compared to 240 in November. The Eastern Car Co. at Trenton, Nova Scotia, released 600 men in December and many of these men will not be re-employed for some time unless new contracts are forthcoming. Employment in the National Steel Car Co. at Hamilton, Ontario declined by 400, while the Canadian Car and Foundry Co. at Montreal laid off 375 workers. Thus in November and December about 1,600 workers were released from the railway rolling stock manufacturing industry, alone.

Although activity slackens off in many manufacturing industries at the end of the year, aside from transportation equipment manufacturing, no industry wide lay-offs were reported in December. A shortage of orders still is the main reason for lay-offs. Many firms chose the Christmas period to hold inventory, overhaul machinery, or for a short lay-off due to slackness in business. Thus in December, lay-offs were considerably more numerous than in November, but this was not unusual for the time of year.

Table I—Non-seasonal Lay-offs Reported by National Employment Service
Offices in Manufacturing Industries, by Cause

Cause of Lay-off	December, 1949 ⁽¹⁾		November, 1949		October, 1949	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of orders....	4,397	53.7	1,967	43.8	2,055	51.3
Inventory and repairs.	681	8.3	-	-	-	-
Shortage of materials.	108	1.3	117	2.6	62	1.5
Industrial disputes...	-	-	2,060	45.8	1,120	28.1
Production changes....	2,874	35.1	165	3.7	259	6.4
Out of business.....	114	1.4	-	-	230	5.7
Other.....	20	0.2	185	4.1	281	7.0
Total.....	8,194	100.0	4,494	100.0	4,007	100.0

(1) Preliminary figures

Table II—Non-seasonal Lay-offs Reported by National Employment Service
Offices in Manufacturing Industries, by Industry

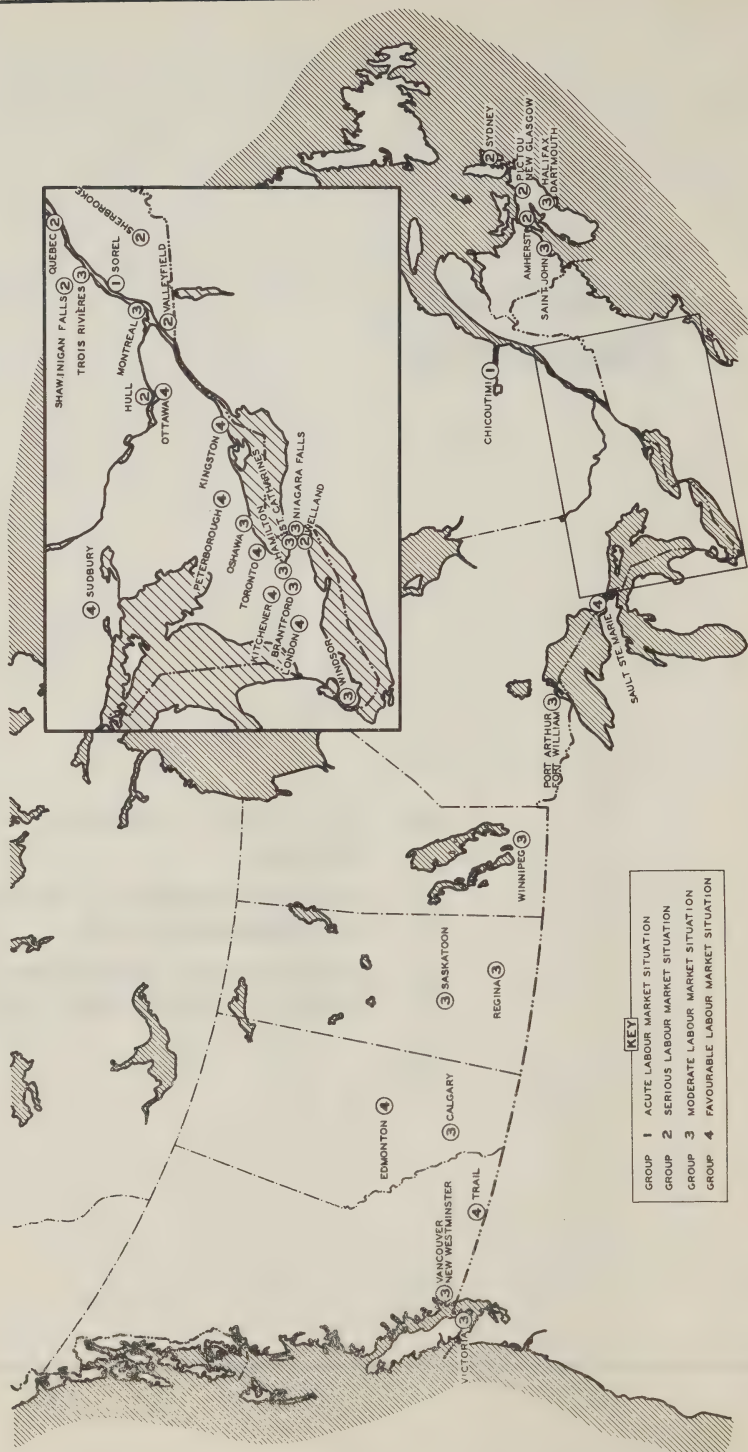
Industry	December, 1949		November, 1949		October, 1949	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and beverages.....	126	1.5	278	6.2	194	4.8
Tobacco products.....	-	-	-	-	-	-
Rubber products.....	431	5.2	12	0.3	100	2.5
Leather products.....	319	3.9	20	0.4	115	2.8
Textile products.....	213	2.6	335	7.5	565	14.1
Clothing.....	408	5.0	95	2.1	333	8.3
Wood products.....	359	4.4	291	6.5	59	1.5
Paper products.....	16	0.2	191	4.3	211	5.3
Printing and publishing..	85	1.0	-	-	-	-
Iron and steel products..	1,223	14.9	550	12.2	535	13.4
Transportation equipment.	4,485	54.7	2,413	53.7	1,321	33.0
Non-ferrous metals.....	88	1.2	225	5.0	-	-
Electrical apparatus.....	161	2.0	30	0.6	20	0.5
Non-metallic mineral products.....	183	2.2	54	1.2	467	11.6
Chemical products.....	97	1.2	-	-	-	-
Miscellaneous.....	-	-	-	-	87	2.2
Total.....	8,194	100.0	4,494	100.0	4,007	100.0

REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR
MARKET
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ INDUSTRIAL EXPANSION
FOURTH QUARTER, 1949

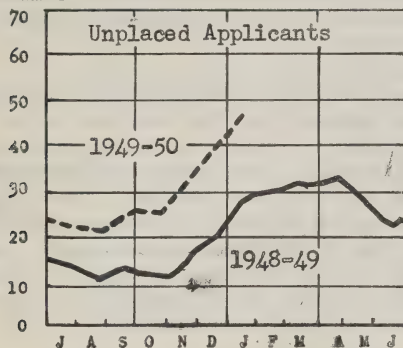
CANADIAN LABOUR MARKET AREAS

JANUARY 1, 1950



REGIONAL LABOUR MARKET MARITIMES

Thousands



The decline in employment during December was more than seasonal according to all indications, and the number at work early in January was probably less than one year ago. At the end of the month, unplaced applicants formed approximately 7.3 per cent of the labour force.

Seasonal curtailment of activity in construction, agriculture and fishing has displaced thousands of workers, but the usual expansion in logging, which absorbs many of them, has

not occurred this year. The result has been a rapidly mounting labour surplus. However, although pulp and pitwood operations have been at a greatly reduced level so far, the long lumber industry will benefit by the recent allocation of \$2,500,000 by the United Kingdom for purchase of eastern spruce, to be delivered before July, 1950. Operators were planning to open camps shortly.

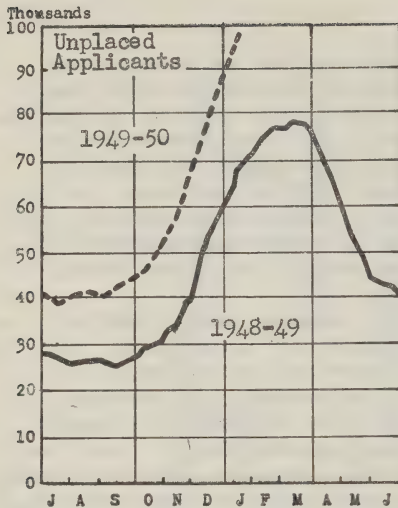
The coal mining industry was maintaining a high level of production and steady employment was expected to continue throughout the winter. Employment in heavy manufacturing has remained stable, but a slight decline was indicated in the next few months.

Halifax and Saint John—Winter port activity is not likely to bring as much relief to unemployment in these areas as had been anticipated. The volume of freight is down from last year and, although grain shipments are heavy, these require less handling. Stevedoring employment may thus be lower than last year, although Halifax will benefit by the recent C.N.R. decision to ship all freight for eastern Newfoundland through Halifax to St. John's.

Northern New Brunswick—Bathurst, Chatham, Newcastle—Further unemployment may be expected as the short logging season draws to a close, although long lumber operations will provide employment in some districts. A poor season for the trade and service industries is indicated for the whole area.

St. John's—By the end of the month, there were 8,300 men employed throughout the province, the government announced, on the "work instead of dole" program. A substantial reduction will occur early in February, however.

QUEBEC



Employment in this region has declined slightly from last year's high level, according to all indications. Chief cause of the decline has been the reduction of logging operations and the effect of foreign competition on manufacturing production.

Seasonal unemployment mounted in December as construction activity tapered off--only advanced construction with inside work will continue for the next few months. The transportation industry released workers as the port of Montreal closed. By the end of the month, unplaced applicants formed approximately 6.1 per cent of the labour force.

Labour turnover in woods operations, has been heavy because of the low wages being paid. Although this development will mean some employment for a greater number of workers, the average wage earned will be less. Furthermore, many operators completed cutting schedules before the end of December, which displaced several thousand workers, normally employed longer. Lack of snow in many areas has delayed hauling operations.

Activity in manufacturing industries decreased slightly in recent weeks. Pulp and paper production and clothing production were at a lower level than last month. The textile industry has reported loss of orders because of British competition.

Western Quebec Mining Areas--Production was steadily increasing in both gold and base metal mining. Labour was plentiful, but experienced machine men were scarce. The usual seasonal hydro power shortage has not occurred this year, and mining operations have been steady as a result.

Valleyfield--Unemployment has increased in the area. The textile industry, working on curtailed production schedules, has reported few orders ahead. Lay-offs will probably occur.

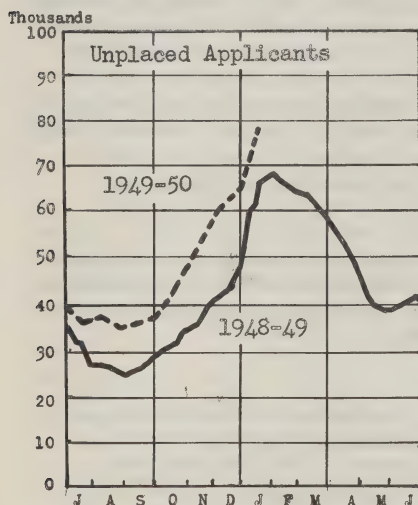
Shawinigan Falls--The aluminum industry reduced production recently, but no further lay-offs were anticipated. Other manufacturing industries in the area were slack.

Montreal--Heavy manufacturing industries have obtained several major contracts which will stimulate employment early in 1950.

Quebec--The reduction of logging employment this season has affected this area especially. The shoe manufacturing industry continued on short-time schedules; orders are at a low level because of anticipated price cuts.

Saguenay District--The curtailment of logging has created substantial unemployment in this area.

ONTARIO



One of the significant features of the Ontario region is the wide diversification of its industry. This diversification has been an important factor in enabling the economy to maintain employment in the face of several recent adverse developments. Thus, in spite of the loss of certain export markets as a result of international exchange problems, and the shortages created by the United States steel strike, total employment continues to exceed last year's high level. Unplaced applicants at the end of December formed about 3.7 per cent of the labour force.

Because of the heavy weight of manufacturing industries in the economy, seasonal unemployment is not as great a problem as elsewhere. The construction industry is the chief cause of the seasonal increase in unplaced applicants for the region; work has ceased where weather has forced closure, but has continued in other areas.

The wholesale and retail trade industry reported declines in sales and continued evidence of price consciousness on the part of buyers' particularly where luxury and novelty goods are concerned; Christmas employment was not as high as last year.

Oshawa--The strike settlement occurred during November and 5,300 auto workers returned to their jobs, enabling an additional 1,600 men in a major feeder plant also to start work. The change-over to 1950 models will cause a short lay-off early in January of 2,500 workers.

Windsor—Employment in the automobile industry and its feeder plants has been uncertain, since raw material supplies are on a day-to-day basis as a result of the recent United States steel and coal strikes.

Brantford—The farm machinery industry has expanded seasonally during the past two months.

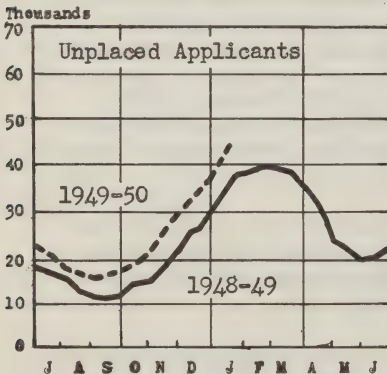
Toronto—Labour demand in manufacturing industries was light during the month. A new automobile plant announced that production will start in February; skilled auto workers will be recruited from Oshawa.

Hamilton—Normal employment conditions prevailed, despite lay-offs in the railway rolling-stock industry. With activity at its current level in the heavy manufacturing industries of the area, the outlook indicated sustained employment.

Cobalt—The new smelter has started production and, being assured of a market for their product, several mines in the area have re-opened. Cobalt, itself, has become a strategic material used in turbines, rockets, and power units for jet propulsion; therefore, steady production is assured.

North Bay—The completion of sawmill operations, combined with seasonal lay-offs in pulp and paper and a relatively low level of woods activity, has resulted in a growing surplus of workers, since alternative employment was not available.

PRAIRIE



Employment has continued at approximately the same level as last year in this region, and unplaced applicants formed only 3.8 per cent of the total labour force at the end of December. During the next two months, as further seasonal declines occur in construction and logging activity, the number of unplaced applicants will continue to increase. Basically, however, conditions in this region, especially in the Western section, compare favourably with those in other regions of the country.

The number of jobs in the logging industry, which usually provides a major proportion of winter employment in the region, has been well below that of last year. Moreover, the cutting season has

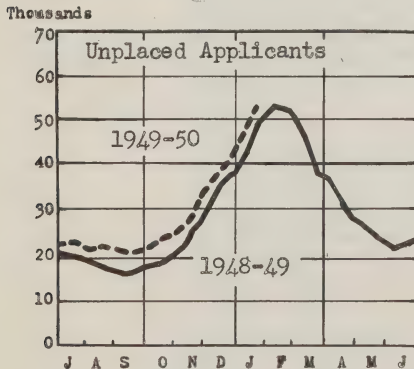
ended in several areas, instead of continuing well into the New Year as has been the case in recent years. Large stockpiles of wood at the pulp and paper mills, together with a market which is only fair for the sale of sulphite, have caused operators to curtail wood production this season.

On the other hand, the coal-mining industry has been in full operation in most areas since this is its seasonally active period. Similarly, meat-packing plants were working at capacity with cattle and hog shipments being relatively large and prices high, owing to the strong market in the United States.

Fort William and Port Arthur—The outlook for the winter months was poor. With the closing of lake navigation, grain elevators have released workers. Construction has been reduced to a minimum and in addition, many logging contractors have completed their cutting schedules and have started hauling operations. Some reduction in employment has already occurred and heavy lay-offs will take place shortly when hauling becomes general.

Saskatoon—It is reported that about 15 per cent of all grain farmers in this area are returning to the raising of beef cattle. They evidently feel that grain farming alone is becoming a fairly risky business and are going into the production of feeder stock as a protection against drought. An increase in orders for choremen is the result.

PACIFIC



The seasonal problem of unemployment has been more severe this winter than normally as a result of blizzards and heavy snows. This unusual weather, which also occurred last year and disrupted employment at that time, held up the re-opening of logging camps and sawmills, and adversely affected construction employment. At the end of December, unplaced applicants formed about 9.8 per cent of the labour force.

Logging camps throughout all forest areas have been closed as a result of snow conditions.

The opening of high level camps will probably be delayed in some instances for many weeks. Lower level operations, however, may re-open quickly if rain or high temperatures occur to facilitate snow removal, in which case several thousand woods workers will return to

work. This disruption of activity has clouded the immediate outlook for the logging industry. Previous indications were that employment would continue at a fairly high level until at least the end of January. From then on, the new United Kingdom commitments should result in further improvement.

In the sawmill industry, most mills had been operating at capacity before the storms. Since devaluation, exports to the United States have increased considerably. The level of operations is expected to remain stable, once back to normal, for several months at least.

Base metal mining operations continued active. The employment level was high and will rise further when the new projects under consideration are carried through to the production stage. Gold mines will continue in active operation with full crews.

Vancouver—The increase of unplaced applicants over last year's level in this area was relatively slight, probably because the influx of workers from the Prairies has been much smaller than usual this year, before the storms closed logging operations and loggers flocked into the area.

Duncan and Nanaimo—The effect of weather on logging operations has thrown several thousand woodsmen out of work. Some camps in this district will not resume full operations until February or March, claiming that the current export market for logs does not warrant expensive winter operation. Numerous loggers have indicated that they wish to change to employment in a more stable industry, but opportunities are not widely available.

Prince Rupert—Logging operations in connection with the cellulose plant will not begin this winter as was formerly planned.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I--Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for November and December of 1949 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group

Area	Ratio Jan. 1 1950	Group Rating		
		Jan. 1 1950	Dec. 1 1949	Jan. 1 1949
<u>Population of 100,000 and over</u>				
Quebec.....	14	II	III	III
Vancouver.....	11	III	III	III
Windsor.....	7	III	III	III
Winnipeg.....	7	III	III	III
Calgary.....	6	III	IV	III
Hamilton.....	6	III	IV	IV
Montreal.....	5	III	IV	IV
Ottawa.....	5	III	IV	IV
Victoria.....	5	III	IV	III
Edmonton.....	4	IV	IV	IV
Toronto.....	3	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	15	II	III	III
Fort William - Port Arthur.....	13	III	III	III
Saint John.....	11	III	III	III
Halifax.....	9	III	III	III
Regina.....	6	III	IV	IV
London.....	4	IV	IV	IV
Kitchener - Waterloo.....	2	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	29	I	I	II
Shawinigan Falls.....	23	II	II	III
Hull.....	17	II	III	III
Sherbrooke.....	15	II	III	III
Three Rivers.....	10	III	III	III
Brantford.....	9	III	III	IV
Oshawa.....	7	III	III	II
St. Catharines.....	6	III	III	III
Kingston.....	5	III	IV	IV
Peterborough.....	5	III	IV	IV
Saskatoon.....	5	III	IV	IV
Sault Ste. Marie.....	4	IV	IV	IV
Sudbury.....	3	IV	IV	IV
<u>Population of under 25,000</u>				
Sorel.....	27	I	II	I
Pictou - New Glasgow.....	21	II	II	II
Valleyfield.....	17	II	III	III
Welland.....	16	II	II	III
Amherst.....	14	II	III	III
Niagara Falls.....	5	III	IV	IV
Trail.....	4	IV	IV	IV

INDUSTRIAL EXPANSION, FOURTH QUARTER, 1949



At least 2,000 new jobs opened up in the last three months of this year when many of the industrial expansion projects started early in 1949 were completed. This represented a drop of 50 per cent from the same quarter in 1948.

Perhaps the most significant change in the pattern of industrial expansion this year as compared with 1948 has been the drop in the number of large projects. Numerically, the number of industrial expansion projects has been about the same in both years. In the last three months of 1949, about 80 per cent of all expansion projects employed fewer than 50 new workers when completed, as compared with only 30 per cent in the last quarter of 1948.

The largest expansion project to be completed recently is the new Orient Hosiery Company, Ltd., plant at Brockville, Ontario. This plant may employ 350 workers if sales are maintained and no unusual economic conditions interfere with the anticipated production schedules. The Canadian Celanese Company has completed expansion programmes at both Drummondville and Sorel, Quebec, with additional employment provided for 175 workers in each case.

An interesting industrial development has taken place in northern Ontario which will result in the production of salt oxides, and other derivatives of cobalt from former waste materials when nickel is removed. The New Cross Chemical Company, Ltd., of Croydon, England, in conjunction with the Silanco Mining and Refining Company, Ltd., of Cobalt, Ontario, recently opened a new plant which will employ as many as 250 workers. The shortage of cobalt in England and the fact that Canada has the only major deposits of cobalt in the Western Hemisphere resulted in this new industry in Canada.

An oil refinery at Saskatoon recently installed a new refining unit which required 50 new workers. Expansion of the Prairie petroleum industry will probably mean three large oil refineries in 1950; two at Edmonton, and one at Winnipeg. These plants will be in addition to the Imperial Oil Company refinery at Edmonton which went into production in 1948.

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION (1)

- Fourth Quarter 1949 -

Area	Name of Company	Industry	Number of New Employees
<u>Ontario</u>			
Barrie	Lannon & Wellinger Ltd.	Leather Products	60
Brockville	Orient Hosiery Ltd.	Textiles	350
Gananoque	William J. Wing	Iron and Steel	25
London	Gudgeon Bros. Ltd.	Wood Products	12
Niagara Falls	Zippo Manufacturing Co. Canada, Ltd.	Miscellaneous Manufacturing	20
St. Catharines	The Monarch Knitting Co. Ltd.	Textiles	30
	Welland Vale Manufacturing Co. Ltd.	Iron and Steel	10
Toronto	Kitchen Installations Ltd.	Non-ferrous Metal Products	24
	Lily Cups Limited	Paper Products	20
	The McBee Company Ltd.	Paper Products	31
Fort William	The Great Lakes Paper Co. Ltd.	Wood Products	40
<u>Prairies</u>			
Saskatoon	Hi-Way Refineries Ltd.	Petroleum Products	50
Calgary	Gypsum Lime and Alabastine Canada, Ltd.	Non-metallic Minerals	45
Lindbergh	Alberta Salt Co.	Non-metallic Minerals	4
<u>Pacific</u>			
Chemainus	Victoria Lumber Co. Ltd.	Wood Products	20
New Westminster	Alaska Pine Co. Ltd.	Wood Products	32

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

C A N A D I A N

LABOUR MARKET

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February

1950

Government
Publications

FEATURE ARTICLE-----

Employment Conditions
in the Ontario Region

Volume 7

Number 2

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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

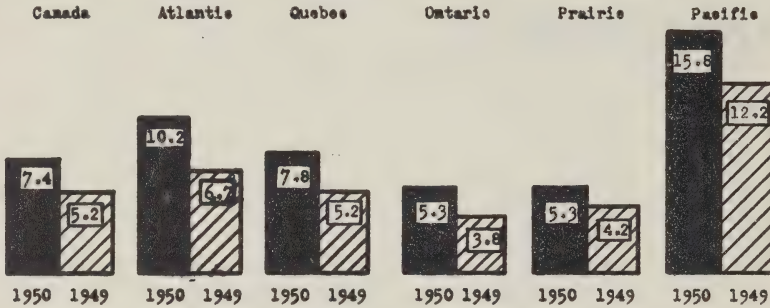
The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS.....

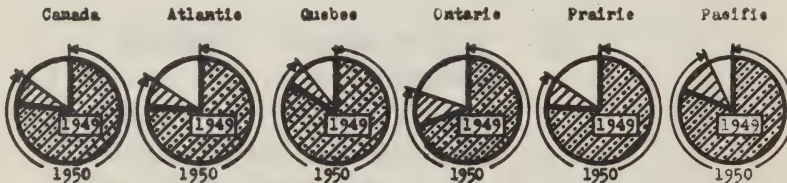
- ▲ THE CURRENT LABOUR
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ACTIVITIES

ASPECTS OF CURRENT UNEMPLOYMENT..... WITH COMPARABLE 1949 DATA

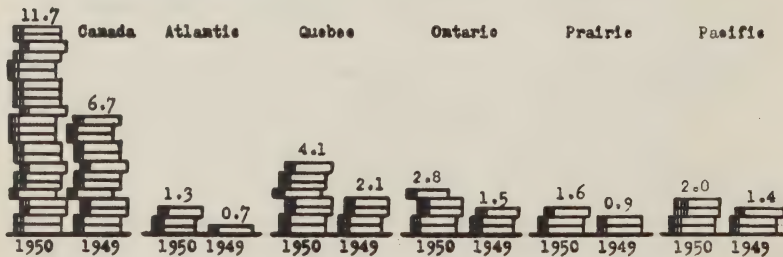
UNPLACED APPLICANTS as a percentage
of the LABOUR FORCE. (February 2)



Percentage of JOB-SEEKERS claiming
UNEMPLOYMENT INSURANCE. (February 2)



BENEFIT PAYMENTS (January)
(Millions of Dollars)



THE CURRENT LABOUR MARKET

On February 2, there were 376,000 persons seeking work through National Employment Service offices. The number had increased by over 100,000 in the five-week period covering the month of January. The proportion of job-seekers at employment offices ranged from 16 per cent of the labour force in British Columbia to 5.3 per cent in Ontario. In certain areas unemployment is even more pronounced. The rate of increase was slackening sharply by the first week of February, however, and it was likely that a peak of about 385,000 to 390,000 would be reached in the latter half of this month.

A sharp increase in seasonal inactivity is usual in the winter months in agriculture, transportation and construction, but unemployment this winter has been more extensive than in recent years. Unfavourable weather, has been partly responsible, but it has also become apparent that many industries are returning to their pre-war practice of reducing operations in the slack season. The resulting sharper seasonal patterns have been due largely to increasing concern with costs as markets become more competitive.

Workers laid off this winter are now finding it more difficult to find alternate jobs than at any time since the end of the war. Although employment remains high, labour demand is not very active. With staffs adequate enough to meet production schedules and with a plentiful supply of labour, employers are being selective in their hirings. Most job openings are for skilled workers.

Many important manufacturing industries are facing quite different market situations at present. The automobile industry, for example, is still producing at capacity levels because of the continuing strong demand. The agricultural implement industry, on the other hand, is experiencing some decline in effective demand both in Canada and abroad. Production in the machine tool industry has declined, largely as a result of the slackening in post-war plant expansion. Orders for railway rolling stock have also been reduced and staffs decreased accordingly.

The current high level of unemployment in the Maritimes is mostly due to the usual seasonal lay-offs in trade, construction, food and fish-processing, and the completion of cutting in the woods. A lower level of woods operations, a poor winter fishing season in some areas and lower port activity have created greater unemployment this winter than usual. Almost one-third of male applicants are concentrated in construction and trucking occupations; the other largest groups are loggers, seamen and longshoremen.

In the Quebec region, the reduction of woods' employment has been an important factor in higher unemployment this winter. At February 2, unplaced applicants represented 7.8 per cent of the regional labour force. Employment has also been lower this winter in shipbuilding, railway rolling stock, foundries and machine shops, textiles and leather products. Unemployment is now relatively heavy in such logging districts as the Gaspé, Chicoutimi and Rimouski areas, where cutting has been completed and hauling operations are under way.

In the Ontario region, employment remains stronger than elsewhere. Unplaced applicants at February 2 comprised 5.3 per cent of the regional labour force. Together with the numbers leaving the woods, reduced levels of employment in some sections of manufacturing contributed to the increase of unemployment during January. With labour demand already low in Southern Ontario, few job opportunities were available for the many workers drifting to those centres from northern districts. This has accentuated unemployment in such cities as Toronto, Hamilton and London. The largest number of job-seekers is in clerical and service occupations. Among male applicants, the heaviest registration is for construction and metalworking.

In the Prairie region, current unemployment is largely of a temporary nature. About 5.3 per cent of the regional labour force are registered for jobs at employment offices. Those applying for construction jobs are by far the largest group among male applicants; other large groups are truck drivers and food-processors. Both male and female registrations in the trade and service occupations are large, since bad weather has hampered these industries. In the Lake-head area, unemployment has been particularly heavy because of reduced logging and the seasonal drop in transportation employment.

Severe storms have disrupted activity in the Pacific regions. Until they struck, employment had been maintained close to last year's level. Heavy snowfalls during the past two months have disrupted logging and construction work, and curtailed sawmill and transportation operations. Trade and service employment has also been affected. On February 2, sixteen per cent of the labour force was registered at employment offices but with recent improved weather conditions many are returning to work. The situation is complicated in Vancouver, however, by the influx of unemployed from interior points.

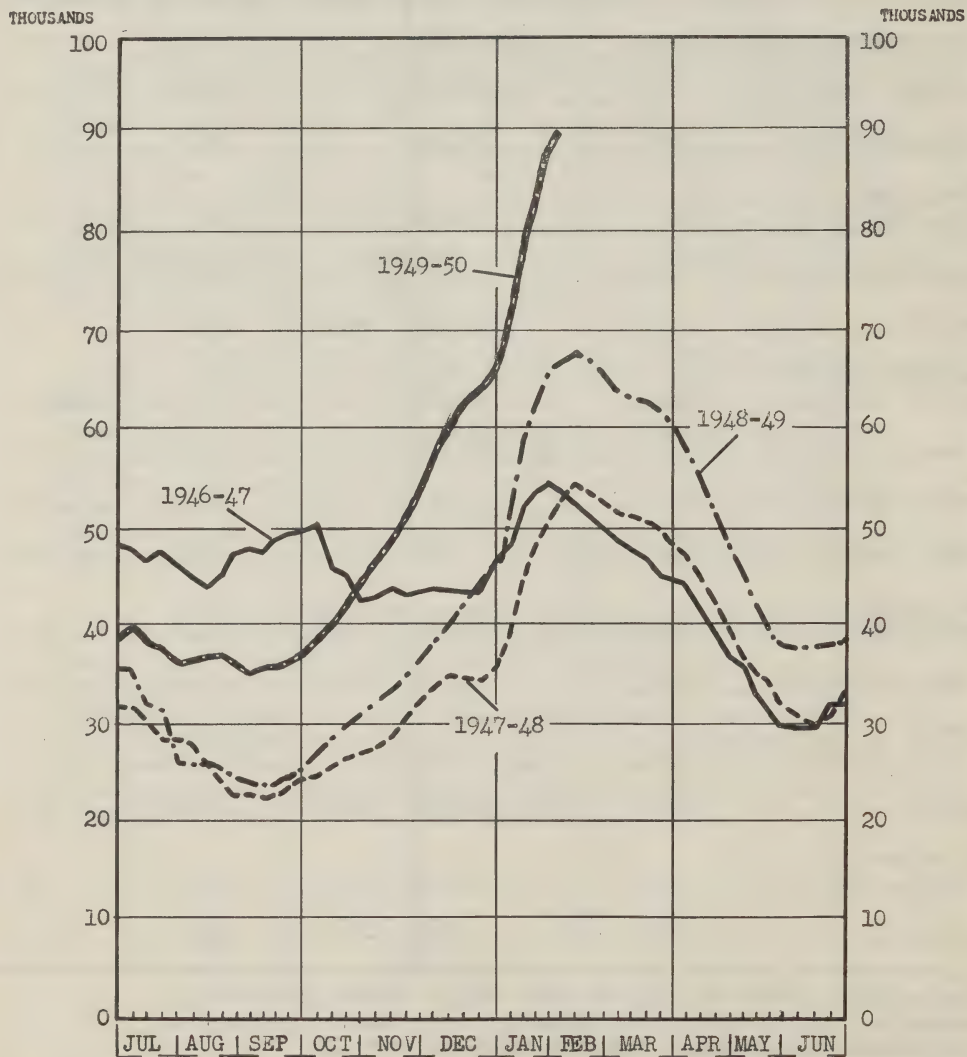
SELECTED LABOUR MARKET TRENDS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date This Year From Same Period Last Year
Civilian Labour Force (a)..<	Oct.	5,200,000	-	† 2.5	† 2.2
Total Employment (a).....	Oct.	5,053,000	-	† 2.0	† 1.6
Total Unemployment (a).....	Oct.	147,000	-	†25.5	† 29.7
Index of Employment Av. 1941 = 100 (b).....	Dec. 1	132.6	- 0.2	- 1.1	† 0.3
Unplaced Applicants (c)....	Feb. 1	375,600	†37.1	†46.3	† 46.3
Live Claims (d).....	Jan. 1	222,000	†45.8	†54.1	-
Man Working Days Lost by Strikes.....	Jan.	39,000	-	-	†307.1
Labour Income.....	Nov.	\$ 661,000,000	- 0.3	† 4.6	† 7.5
Average Weekly Earnings (e)	Dec. 1	\$ 42.86	† 0.6	† 3.4	† 7.3
Average Hourly Earnings (e)	Dec. 1	\$.99	† 0.4	† 4.1	† 8.0
Real Weekly Earnings Av. 1946 = 100 (f).....	Dec. 1	108.5	† 0.7	† 1.7	† 3.4
Average Weekly Hours (e)...	Dec. 1	42.9	† 0.2	- 0.7	- 0.6
Cost of Living Av. 1935-39 = 100.....	Jan. 1	161.0	- 0.3	† 0.9	-
Retail Trade.....	Dec.	\$ 791,420,000	†19.7	† 2.7	† 5.7
Industrial Production Av. 1935=39 - 100.....	Dec.	186.6	† 1.1	† 0.5	† 1.3
Immigration.....	Dec.	5,200	-18.7	-48.3	- 24.1

- (a) Estimated on basis of a one per cent sample of the population.
 (b) Based on firms of 15 or more workers in nine leading industries.
 (c) Registered with National Employment Service Offices.
 (d) Ordinary claims only.
 (e) Wage earners in manufacturing only.
 (f) Per capita weekly earnings of wage earners in manufacturing adjusted for cost of living.

UNPLACED APPLICANTS-ONTARIO REGION

1946 TO DATE



EMPLOYMENT CONDITIONS IN THE ONTARIO REGION

The current employment situation in Ontario, while less favourable than in previous post-war winters, remains stronger than that in any other region of Canada. The number of persons seeking work through offices of the National Employment Service in Ontario at February 2 was 89,850, an increase of 22,900 over the comparable 1949 figure. This total represents 5.3 per cent of the estimated labour force of the region, and 6.6 per cent of all wage earners. For all Canada, at the same date, these ratios were 7.4 per cent and 10.5 per cent, respectively. Among the other regions, the ratio of unplaced applicants to the labour force ranged from slightly over 5.3 per cent in the Prairies to 15.8 per cent in British Columbia. From the following table it will be noted that the current Ontario total is also 18,800 higher than the highest previous post-war figure at a comparable date, which occurred in 1946.

Unplaced Applicants - Ontario (At the beginning of February)

	<u>Total</u>	<u>Male</u>	<u>Female</u>
1946	71,021	56,200	14,821
1947	54,670	43,107	11,523
1948	50,329	37,857	12,472
1949	66,956	51,324	15,632
1950	89,850	68,808	21,762

The substantial increase in the number of unplaced applicants in Ontario this winter is due to a number of factors, not the least of which has been a tendency among employers to revert to pre-war employment practices. With war-occasioned backlogs filled for the most part, competition for markets has increased, and ordering has been placed more on a day-to-day basis. Employers are showing increasing concern over production costs, and particularly labour costs. As a result, there is currently a very low demand for labour generally, and especially for less skilled workers. Employers are tending to improve the efficiency of their work forces by releasing poorer workers and, where necessary, selecting replacements carefully from the many better qualified workers now on the labour market. This has accentuated the seasonality of employment that is inherent in much of Canadian industry, but which was negligible during the war and immediate post-war years.

Certain special factors have also had a cumulative effect on the present employment situation in Ontario. These have included adjustments in export markets consequent upon the currency devaluations last fall, which also have meant greater competition in domestic markets from overseas producers. Reduction of inventories, in the pulp and paper industry, combined with foreign market adjustments, has in turn affected logging employment. It is estimated 5,000 fewer jobs were provided in the Ontario woods this winter than last.

Throughout 1949, the proportion of unplaced applicants receiving unemployment insurance benefits or waiting for their claims to be processed at the end of each month in Ontario was consistently higher than in 1948. This indicates that more workers are now covered by the provisions of the Unemployment Insurance Act: at January 26, 1950, 80 per cent of all unplaced applicants were insured, compared to 76 per cent a year earlier. Partially as a result of this fact, the amounts paid out in unemployment insurance benefits in the region were also consistently higher during 1949 than in 1948. Also contributing to the increase in benefit payments has been the fact that many workers have now accumulated greater benefit entitlements, enabling them to draw on the unemployment insurance fund for longer periods of unemployment. During December, 1949, and January, 1950, benefit payments reached a sum of \$4,745,000 in Ontario, an increase of 92 per cent over the comparable 1948-49 total of \$2,473,000. This would indicate that, while unemployment in Ontario is higher this winter, the extent of the hardship it causes is not as great as the increase in unemployment figures would suggest.

There are no indications, however, that the currently higher level of unemployment in Ontario is the result of any decline in the general level of employment. From November, 1946, to November, 1949, the Ontario labour force is estimated to have grown from 1,698,000 to 1,798,000 persons, an increase of 6.5 per cent. In the same period estimated employment in Ontario rose from 1,654,000 to 1,761,000, likewise an increase of 6.5 per cent. From the reconversion period to the present, then, there have been compensating expansions in employment to absorb successive increments to the labour force. During the first two years of this period, employment increased by 4.3 per cent while the labour force increased by 3.7 per cent. Then, during the year ending November 1, 1949, the labour force increased by 2.7 per cent while employment expanded only 2.1 per cent. Thus a contributing factor to the higher current level of unemployment in the region has been a slackening in the rate of growth of employment relative to that of the labour force.

The outlook for the coming spring and summer for Ontario industry generally suggests activity at levels perhaps slightly below those of 1949. In the manufacturing industry group, which employs 40 to 45 per cent of all Ontario workers, continuing high activity and

employment increases in the production of primary iron and steel and automobiles are not likely to offset entirely declines in other transportation equipment (i.e., railway rolling stock), agricultural implements and machinery. Such declines are the result of reduced shipbuilding needs, expectation of lower farm income, some slackening in Canadian plant expansion, loss of some overseas markets and greater competition from foreign producers. Employment in the textiles industry, although expected to be below 1949 levels during the spring, may not decrease as much during the summer as it did last year. Some of the anticipated increase in competition from British producers has been felt in Canadian markets, but employers in this industry now appear more confident. The production of clothing, however, seems likely to employ more workers during the spring and summer of 1950, due in part to the anticipated transfer of consumer expenditure from durables to other types of product.

As a result of adjustments in export markets, with strong continuing demand in the United States for newsprint not quite offsetting lost overseas markets, and with considerably reduced demand for exports of sulphite pulp, the Ontario pulp and paper industry is likely to employ fewer workers during 1950 than in 1949. A similar situation appears probable in the manufacture of lumber and lumber products for export, but there may be little difference in this industry's activity in domestic markets.

Because of extensive rural electrification programs in most provinces and the conversion of Southern Ontario from 25 to 60 cycle current, production of heavy electrical equipment is expected to increase during 1950, with some gains in employment. In the manufacture of non-ferrous metal products, however, the loss of export markets is likely to mean lower levels of employment than in 1949. On the other hand, employment increases are foreseen in the chemicals industry, where export market difficulties affect only a small proportion of the industry.

The manufacture and processing of food products in Ontario appears likely to increase slightly in activity and employment during 1950, as employers turn to greater varieties of products in an effort to exploit more fully the competitive domestic markets. The major factor in the anticipated employment situation in this industry group, however, is the expectation of a greater output of livestock during 1950, which may enable meat packers to employ more workers during the spring than they did in 1949 and to maintain employment at around 1949 levels during the summer.

Employment in agriculture in Ontario during the first half of 1950 is likely to approximate the 1949 level, although some uncertainty regarding the prices of agricultural products at the present time appears to have delayed the beginning of farm hirings. The combination of

uncertain prices and higher feed costs may reduce slightly the output of poultry, but since markets for bacon, eggs and cheese are assured by export contracts with the United Kingdom at least until the end of June or by price support legislation, there are likely to be shifts in employment within the industry rather than a generally lower level.

Forestry activity in Ontario will taper off as usual during the spring but summer employment is not likely to go below the level of the past few years and may, if markets hold firm or improve, possibly exceed the 1949 level as employers move to replenish inventories of pulpwood on which they are now drawing heavily. Workers leaving the woods will probably return, as usual, to employment in construction and agriculture. Since plans for Ontario mining call for continued expansion of output, employment in almost all branches of this industry is likely to rise slightly above the 1949 levels.

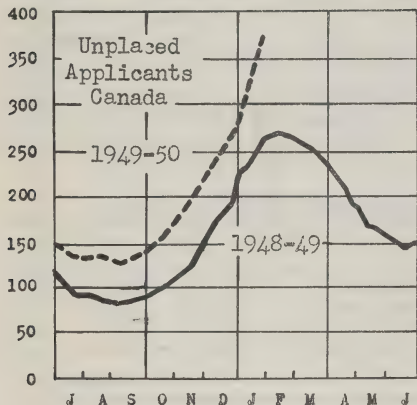
The dollar value of construction contracts awarded in Ontario during 1949 exceeded 1948 by almost \$100 million, or 26 per cent. During the last three months of 1949 the increase over the comparable period of 1948 was over \$70 million (including some \$40 million for hydro conversion in Southern Ontario) or 112 per cent. This has sustained a high level of winter activity in the construction industry, employing mostly skilled and semi-skilled workers on indoor and finishing jobs, and it is probable that the level of employment in the construction industry in Ontario during 1950 will approximate that of 1949.

There is no indication of any decline below 1949 levels in activity and employment in the Ontario transportation industry, and the communications industry is likely to continue expanding. Following the usual midwinter slackening, employment in wholesale and retail trade will probably rise again to about last year's level and may slightly exceed it. Business may not be uniformly active throughout the region, however, due to the impact of winter unemployment on purchasing power in some areas. A level of employment about equal to that of 1949 also may be expected in the services industries.

In general, the economy of the Ontario region appears likely to remain buoyant through the coming months. Somewhat lower levels of employment in industries manufacturing agricultural implements, railway rolling stock, machinery and machine tools, pulp and paper and lumber may be largely offset by increased activity in the manufacture of automobiles, heavy electrical equipment, clothing and chemical products, and in the mining and communications industries. Levels of employment about equal to those of last year in agriculture, construction, transportation, trade and the service industries should absorb most of those now seasonally unemployed. The overall picture in Ontario during the coming spring and summer should show continued high levels of activity. It is expected, however, that there will also be a slightly higher level of unemployment, in which the proportion of unskilled will be greater than in recent years.

EMPLOYMENT SERVICE ACTIVITIES

Thousands



By the beginning of February, 376,000 persons were registered for work at employment offices throughout Canada. This was 114,000 more than the number reported one year before. As usual, the sharpest increase occurred during the month of January when about 100,000 persons were added to the number unplaced. The advances were slightly smaller each week, however, and by the last week in January the rate of increase had dropped to 4 per cent. Weather conditions will probably determine the date when registrations begin to fall, but it is interesting to note that last year the turning point was reached in the last week of February.

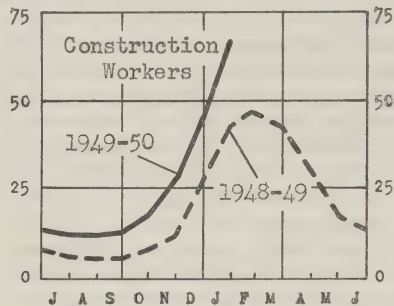
Seven per cent of the labour force was now registered at employment offices. Of the insured population, approximately 12 per cent were claiming unemployment insurance benefits.

Skilled and semi-skilled industrial workers were most affected during January; these occupations accounted for 40 to 45 per cent of the increase in unplaced applicants during the month. More skilled or semi-skilled applicants are now registered - both in number and in proportion to total unplaced applicants - than ever before. The three seasonal groups of industries - construction, lumbering and logging, and transportation - accounted for most of the increase over the years, as well as during January. In the current month, almost two-thirds of the additional skilled and semi-skilled workers in this group were in these seasonal industries. Most of these were construction tradesmen. Registrations in other skilled occupations have been increasing, especially in textiles, leather and metalworking, although during January only moderate gains took place. The chart on this section shows the trend in unplaced applicants in some of these occupations.

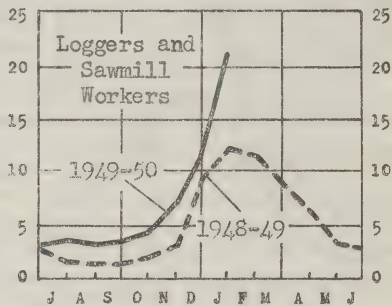
There was also, of course, a large increase in unskilled workers during the month. The number in unskilled occupations accounted for 33 per cent of the January gain. Compared with previous years, however, the proportion was small. For example, in 1948, over half of the increase during January took place in the unskilled groups. Most of the unskilled workers added during the current period were either general labourers or construction workers, although substantial gains also took place among workers in food plants and the lumbering and logging industries.

PERSONS REGISTERED AT EMPLOYMENT OFFICES IN SELECTED OCCUPATIONS

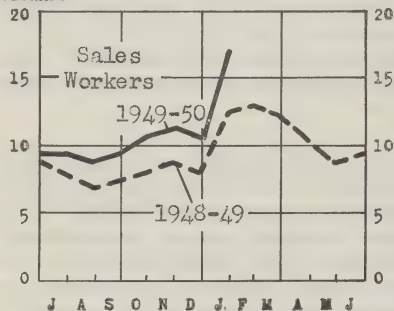
Thousands



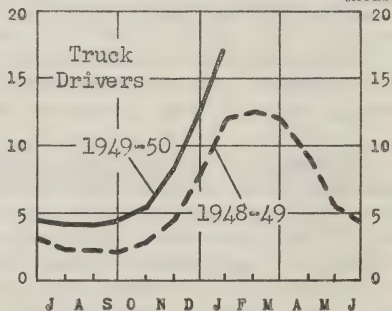
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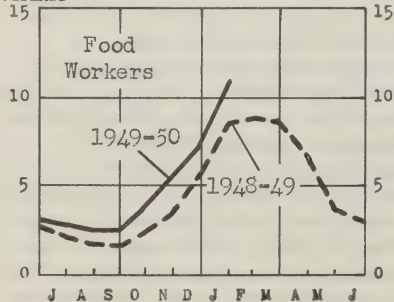
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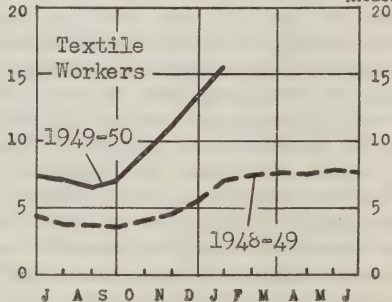
Thousands



Thousands



Thousands



Female unplaced applicants increased at the same rate as males during January; at the first of February, 75,000 applicants from women were on file. Except for January, however, when lay-offs of Christmas help from stores were heavy, the seasonal increase in applicants is much smaller for women than for men. During January, over 25 per cent of the advance in female applicants occurred in the sales occupations; lay-offs in retail trade this year have been the heaviest in many years. Clerical, service and unskilled workers added approximately equal numbers during the month, each accounting for about 20 per cent of the monthly rise. Many married women are registering for jobs in these occupations, especially in areas of unemployment where their husbands are either without jobs or working short-time.

Placement operations were generally inactive with an average of about 8,000 each week during January. Low labour turnover, unfavourable weather developments and a slower seasonal pickup in some industries had reduced winter hiring activity more than usual this year. Unfilled vacancies had fallen to the low level of 18,000 at the middle of January. Hiring was most active in the women's field where 10,000 of the vacancies and over 40 per cent of the placements were recorded; many of these were in the service trades where both a larger number and a better type of applicant was available. The situation for men began to improve by the end of the month, when both vacancies and placements were increasing.

About 85 per cent of the unplaced applicants were claiming unemployment insurance by the beginning of February according to preliminary figures. This compares with 81 per cent one month before and 77 per cent a year earlier. Many of the new workers in the labour market - the skilled and semi-skilled workers in most industries and sales clerks, for example - have built up substantial contributions for unemployment insurance and when unemployed, were immediately placing a claim for benefits. Various disqualifications will prevent some from receiving benefits - probably about one in five - but payments to workers, which totalled more than \$7 million in December, are expected to be more than doubled during the following winter months.

Placement Operations of the National Employment Service

Series	Average Weekly		
	Dec. 1949 ^A	Nov. 1949	Dec. 1948
Applications ^x	44,000	41,000	36,000
Vacancies Notified.....	14,000	16,000	14,000
Placements.....	12,500	11,000	10,100
Women.....	4,400	4,200	3,500
Veterans.....	2,100	1,900	2,300
Handicapped.....	180	210	235
Executive & Professional....	45	65	45

x Renewals not included

^A Latest date for which complete figures are available












INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR
MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

INDUSTRIAL DISTRIBUTION OF EMPLOYMENT IN CANADA ⁽¹⁾

AS AT OCTOBER 29, 1949

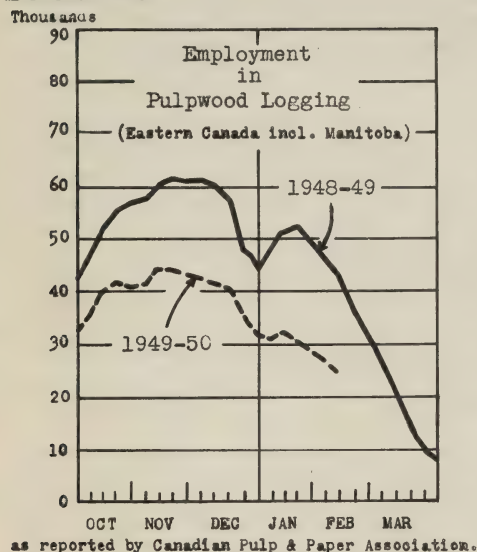
TOTAL EMPLOYMENT - 5,053,000

MANUFACTURING		1,342,000 or 26.6 %
AGRICULTURE		1,048,000 or 20.7 %
SERVICES		910,000 or 18.0 %
TRADE		669,000 or 13.2 %
TRANSPORTATION & COMMUNICATIONS		365,000 or 7.2 %
CONSTRUCTION		329,000 or 6.5 %
FINANCE, INSURANCE and REAL ESTATE		144,000 or 2.8 %
MINING, QUARRYING and OIL WELLS		94,000 or 1.9 %
FORESTRY		68,000 or 1.3 %
PUBLIC UTILITIES		46,000 or 0.9 %
FISHING and TRAPPING		38,000 or 0.8 %

(1) Includes Newfoundland

INDUSTRIAL LABOUR MARKET

LOGGING



Further deterioration took place in the employment situation in the logging industry in the early part of 1950, due chiefly to unfavourable weather conditions. This was particularly evident in British Columbia where activity was almost at a standstill as a result of abnormally heavy snowfalls and cold weather. A large increase in unemployment resulted, with nearly 5,000 loggers in that province registered as unplaced applicants with the National Employment Service at the end of January.

The opposite situation existed in the East, where lack of snow and mild weather during January curtailed operations. Most of the cutting had been completed by the end of the year but the lack of

frost in the ground made hauling difficult. The increase in employment which takes place every January—was therefore not as marked this year, although snow and colder weather towards the end of the month improved skidding conditions. This extension of the hauling season tended to slow up the rate of decline in pulpwood logging employment, as shown in the accompanying chart. Some 2,000 loggers were currently registered as unplaced applicants, but as the industry in eastern Canada is not covered by unemployment insurance there is not the same tendency on the part of loggers to register as in British Columbia.

MINING

The mining industry continues to be one of the bright spots in the economy, with an expansion in employment of about 2 per cent during 1949. The total labour force of 86,000 in the industry is distributed among the three main divisions as follows—metal mining, 44,000; coal mining, 25,000; and non-metallic mining, 17,000. The metal mining industry has added some 1,500 employees during the past year. There have been only minor shifts in the other groups.

Both gold and base metal mines benefited from the devaluation of the Canadian dollar, since the United States is their biggest market. In addition, subsidy payments under the Emergency Gold Mining Assistance Act have assisted marginal gold mines. Demand is also strong in the asbestos and petroleum industries but the consequent employment expansion has not been great.

A surplus of labour in the industry was indicated by registrations with the National Employment Service during January. At the end of the month, there were 1,400 unplaced applicants registered in all offices, of whom approximately 85 per cent were claiming benefits.

MANUFACTURING

Manufacturing employment in 1949 was sustained at a level only slightly below the previous year as decreases in some groups within the industry were offset by gains in other sectors. The labour force in the industry, currently estimated at approximately 1,300,000, is expected to continue this moderate contraction during 1950. As a result of seasonal inactivity and a slowdown in the rate of industrial expansion, there were few job openings in manufacturing plants during January, with an estimated surplus of about 75,000 applicants in manufacturing occupations registered with the National Employment Service at the end of the month. The following summaries outline the salient features of the employment level in the main groups:

Food Products: Post-war employment followed an upward trend until the early part of 1949, apart from the marked seasonal fluctuations which characterize the industry. Improvement in the industry's position in the latter part of 1949, however, resulted in the highest employment level on record, a peak of 110,000 being reached. The outlook for 1950 is for no definite change in the volume of the labour force, although meat packing employment is definitely moving downward and the flour milling industry is in an uncertain position following losses in the British market.

Textiles: Employment in the primary group has remained stable at 65,000 with indications of a return to a sharper seasonal pattern. Woollen mills have felt the effect of keener competition, partly resulting from devaluation, and have been forced to reduce staffs in some instances. The labour force in artificial silk and silk goods division, on the other hand, has been expanding. Production of cotton goods during 1949 was about equal to the 1948 total, with correspondingly little change in employment.

In the clothing industry, employment continues to expand, with production almost entirely for the domestic market. The index of employment at December 1, 1949, was 128.0 (June 1, 1949=100), as against 123.1 one year previously. Strong consumer resistance is being experienced by the industry and there is an element of competition with United Kingdom goods, particularly knitted wear.



A MACHINE OPERATOR IN A TORONTO KNITTING MILL

Pulp and Paper: A moderate decline in the number employed in this industry has resulted from increased efficiency and technological improvements, as well as a slight drop in demand. Reported employment at December 1 was 69,000, less than 2 per cent below year-earlier levels. Large-scale lay-offs have occurred in plants producing for the United Kingdom market; this has affected the employment situation in Newfoundland particularly. The main market in the United States remains firm. Production, of newsprint, which is now about equal to demand, has expanded substantially since the end of the war. In 1945, the output was 3.61 million tons; in 1948, approximately 5 million tons; and in 1949 an estimated 5.1 million tons.

Iron and Steel: The iron and steel industry in Canada employed 284,000 persons at December 1, 1949, a loss of 15,000 from the previous year. The primary industry continues to produce at capacity, generally speaking, although lay-offs in two large firms producing special types of steels have reduced employment in total.

Production and employment have been steady in firms producing for the consumer market. In the automobile industry, Canadian production for 1949 of an estimated 192,000 cars and 100,000 trucks, marked a new peak. Employment, expanding correspondingly, was reported at 47,000 at the year-end. The heating appliance industry expanded employment by about 6 per cent during 1949, to more than 9,000.

Among certain producers goods industries, however, sharp reduction in production schedules have been necessary. The decline in business capital investment and in export sales, has reduced employment in machine tool companies. Employment in agricultural implement factories has been declining steadily since early 1949; the reported employment of 15,000 at December 1 represents a loss of some 15 per cent in the previous twelve months. In the railway rolling stock industry, the shift to diesel locomotives by Canadian railways will not result in any overall increase in employment, as production will be mainly an assembly job and does not require the large number of man-hours needed in producing steam locomotives. Firms manufacturing generating equipment for hydro-electric plants are in the best position in this group, with an assured market in the immediate future.

Sawmills: Employment in this industry held its own during 1949, although production was down 7 per cent in B.C. and 2 per cent in the East for the first 11 months. Canadian demand for lumber remains strong in view of the heavy construction program and reduction in United Kingdom exports has been offset by the re-opening of American markets to Canadian producers. At the peak last year, 53,000 persons were working in the industry.

Household Furnishings: Demand for consumer durables remains strong, with the outlook for stable employment for the first half of 1950. The market for furniture is highly competitive and, though employment has not declined in total, lay-offs have been taking place

among smaller plants. Little change in employment has occurred in the electrical appliance sector, which has a labour force of 53,000.

Rubber: The sharp drop in exports is the most serious problem facing the industry and has resulted in a downtrend in employment since 1948. Employment, at 21,000, was down 8 per cent during 1949. The entry of rubber products from other countries at prices below the Canadian cost of production is also causing some concern.

INDUSTRIAL DISTRIBUTION OF EMPLOYMENT

1946 to 1949

(Source: Labour Force Survey, D.B.S.)

Industry	1946	1947	1948	1949
Agriculture.....	1,186	1,115	1,096	1,091
Forestry.....	85	94	97	70
Fishing and trapping.....	28	23	23	29
Mining, quarrying and oil wells.....	75	70	74	86
Manufacturing.....	1,207	1,259	1,269	1,317
Construction.....	226	252	289	323
Transportation, storage and communications.....	342	371	372	370
Public utilities.....	33	38	41	46
Trade.....	569	633	649	656
Finance, insurance and real estate....	122	130	138	144
Service.....	780	827	832	851
All Industries.....	4,652	4,810	4,879	4,982

CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

The labour force in manufacturing, as in all industries, has experienced increased unemployment this winter, compared to the previous two seasons. To a large extent, this increase has been due to a greater degree of seasonality in the operations of many firms. Lay-offs for reasons other than seasonal (see table) have not increased, the total reported during January being 4,394.

However, while the volume of non-seasonal lay-offs has not increased, the reasons behind the current lay-offs are of a more serious nature than in previous years.

In the post-war period up until 1948, the manufacturing industry was concentrating on greater production with consequent higher employment. Although lay-offs were quite numerous during this time, they were principally the result of material shortages and industrial disputes.

In 1949, the main reason for lay-offs was loss of markets. Increased competition, and a drop not only in export trade but also in the general level of demand for many products were the main factors influencing non-seasonal lay-offs in manufacturing industry since early in 1949. These lay-offs are shown in the table under "lack of orders".

Lay-offs of this type are currently evident in the railway rolling stock industry. The Canadian Locomotive Co. at Kingston, Ontario started a progressive lay-off in January; the Canadian Car & Foundry Co. at Ville La Salle, Quebec, released 130 workers. Production changes caused 365 lay-offs from the railway rolling stock industry in Montreal during the month.

In the shipbuilding industry a shortage of orders caused a further lay-off at Yarrows Ltd., Victoria, B. C. of 200 workers. The Midland Shipyards Ltd., at Midland, Ontario released 87 men. Lay-offs continued from the Halifax Shipyards Ltd. during January.

The manufacturing industry in British Columbia has been considerably affected this winter by severe weather. Over 2,000 workers were laid off from Vancouver and Vancouver Island sawmill operations because ice and deep snow held back log supplies. The meat-packing and fish processing industries were also affected by non-deliveries of supplies, the former as a result of the tie-up in rail transportation, and the latter because fishing boats could not operate. Since all the above lay-offs are classified as seasonal, these are not included in the table.

Table I—Non-seasonal Lay-offs Reported by National Employment Service
Offices in Manufacturing Industries, by Cause

Cause of Lay-off	January, 1950 ⁽¹⁾		December, 1949		November, 1949	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of orders.....	2,702	61.5	4,397	53.7	1,967	43.8
Inventory and repairs..	-	-	681	8.3	-	-
Shortage of materials..	232	5.3	108	1.3	117	2.6
Industrial disputes....	-	-	-	-	2,060	45.8
Production changes.....	648	14.7	2,874	35.1	165	3.7
Out of business.....	-	-	114	1.4	-	-
Other.....	812	18.5	20	0.2	185	4.1
Total.....	4,394	100.0	8,194	100.0	4,494	100.0

(1) Preliminary figures

Table II—Non-seasonal Lay-offs Reported by National Employment Service
Offices in Manufacturing Industries, by Industry

Industry	January, 1950		December, 1949		November, 1949	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and beverages.....	319	7.3	126	1.5	278	6.2
Tobacco products.....	-	-	-	-	-	-
Rubber products.....	-	-	431	5.2	12	0.3
Leather products.....	160	3.6	319	3.9	20	0.4
Textile products.....	183	4.2	213	2.6	335	7.5
Clothing.....	285	6.5	408	5.0	95	2.1
Wood products.....	482	11.0	359	4.4	291	6.5
Paper products.....	-	-	16	0.2	191	4.3
Printing and publishing..	-	-	85	1.0	-	-
Iron and steel products..	1,356	30.9	1,223	14.9	550	12.2
Transportation equipment.	1,025	23.3	4,485	54.7	2,413	53.7
Non-ferrous metals.....	300	6.8	88	1.2	225	5.0
Electrical apparatus.....	133	3.0	161	2.0	30	0.6
Non-metallic mineral products.....	75	1.7	183	2.2	54	1.2
Chemical products.....	76	1.7	97	1.2	-	-
Miscellaneous.....	-	-	-	-	-	-
Total.....	4,394	100.0	8,194	100.0	4,494	100.0

REGIONAL ANALYSIS.....

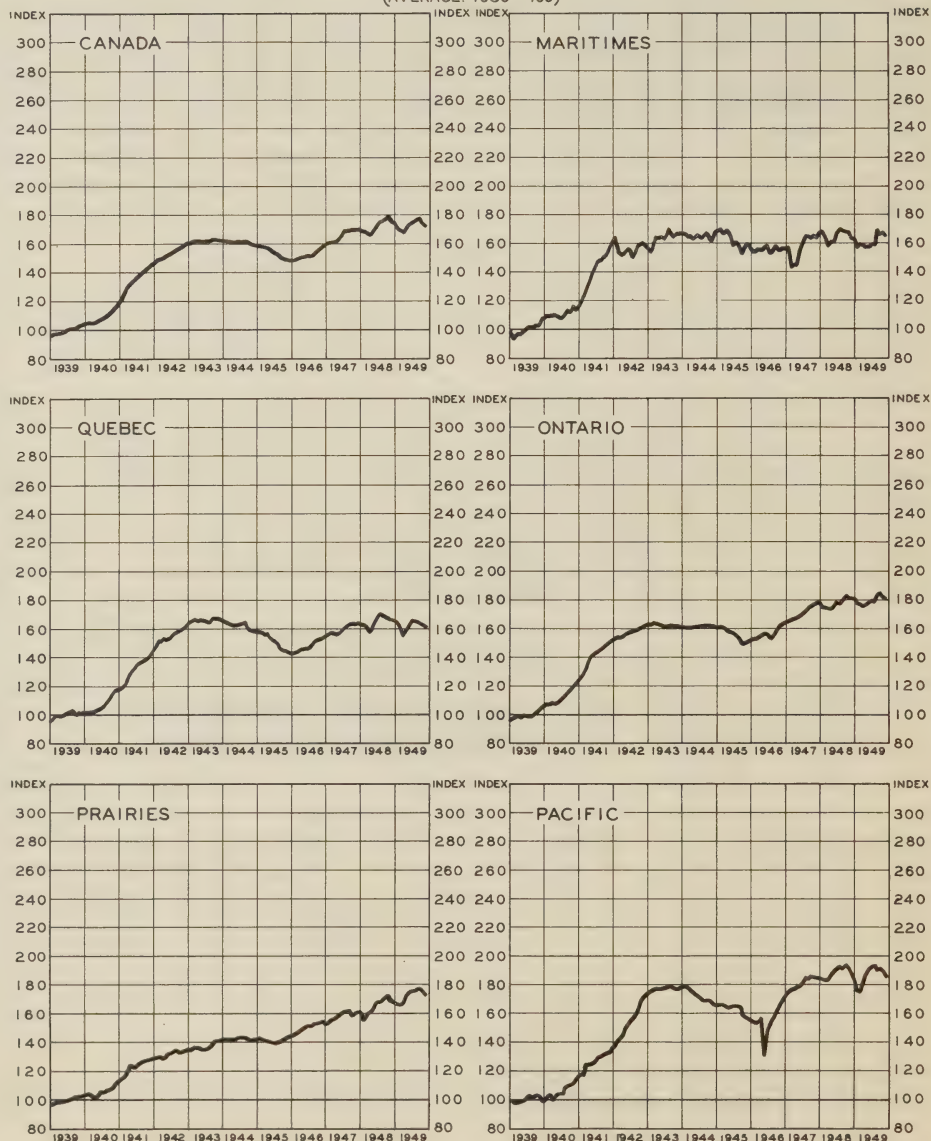
- ▲ REGIONAL LABOUR
MARKET
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ INDUSTRIAL EXPANSION
FIRST QUARTER, 1950

REGIONAL EMPLOYMENT TRENDS

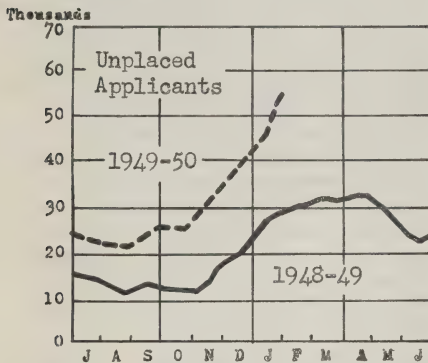
SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE: 1939 = 100)



REGIONAL LABOUR MARKET MARITIMES



About 10 per cent of the labour force is currently without work in the Maritimes. To a great extent, this reflects the usual seasonal declines in trade, construction, food and fish processing, and the change-over from cutting to hauling in the woods. But in addition, the lower level of woods operations this winter, a poor fishing season, and less port activity have created greater unemployment than usual.

In most areas, unemployment will be alleviated to some extent when spring expansion begins. In Sydney, for example, the present seasonal slackness in heavy industry marks a return to the pre-war production pattern and much of the current unemployment will decline rapidly in the spring. In this area, as in many others, about 25 per cent of applicants are from rural districts and therefore may have some supplementary means of support such as small farms or holdings. In Summerside, Moncton, Fredricton and Minto, most of the jobless are seasonal workers; in the latter area, coal mining production is at capacity as a result of strikes in the American industry. In the Saint John area also, expansion of construction will help solve the current problem, which has been caused chiefly by the reduction in employment for longshoremen as a result of lower export trade.

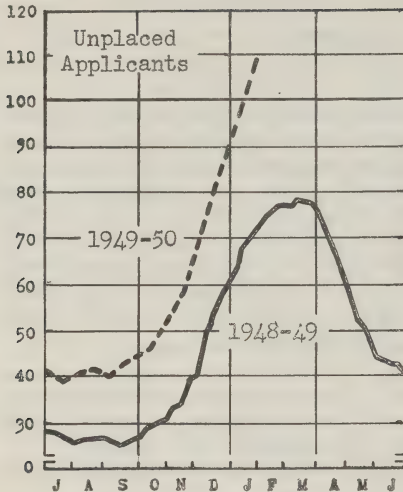
In northern New Brunswick areas, however, the financial resources of many workers have been low this year, and although the recent United Kingdom lumber orders have stimulated woods employment to some extent, the level is still below normal. Further seasonal declines have occurred in trade and fish processing, but construction projects will shortly stimulate employment in this section.

Newfoundland offices report about 10,000 workers employed under the provincial government's work program, yet the number of unplaced applicants remains heavy. Reports state, however, that this is a normal seasonal occurrence, augmented by reduced logging employment.

In Halifax, the provincial and local governments plan an immediate start on construction projects, to absorb the workers displaced from fishing, transportation and shipbuilding.

QUEBEC

Thousands



The seasonal decline in employment this winter has been accentuated by the extraordinary absence of snow as well as by the reduction in logging. The lack of snow alone has disrupted winter ski resort activity and the accompanying trade, service and transportation employment, eliminated snow removal employment in urban areas, and also adversely affected manufacturers and dealers in sporting goods and winter clothes. Woods operations have nearly ended throughout the region, although hauling has been delayed in some areas, again by lack of snow. As a result, unemployment this winter, particularly for casual workers, has been heavier than usual and applicants currently form 8 per cent of the regional labour force, slightly above the national average.

On the other hand, activity picked up during the month in clothing and textile firms, although some are operating on a short-time basis. Pulp and paper mills and heavy industries are working at near capacity, although the coal shortage is beginning to affect the latter. Sawmills with trucking facilities are also in full operation, but others must wait for log supplies.

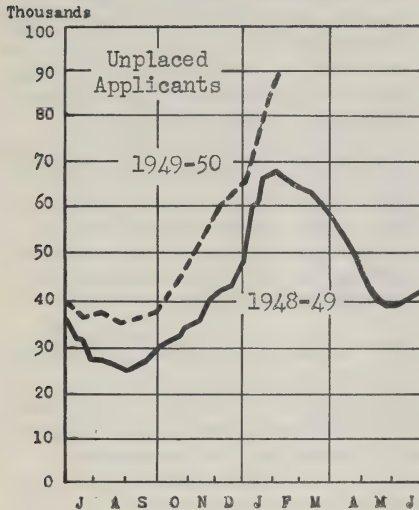
In areas such as Megantic, St. George de Beauce, La Tuque, and Riviere du Loup, unemployment has been due primarily to the reduced forest operations, and now is nearing its peak. For Chandler, Matane and Causapscau, the lack of logging has been more serious since the cash income of many workers has been low during the whole year.

In Quebec City and Levis, some re-hiring in the boot and shoe, shipbuilding and clothing industries is taking place on a short-time basis, but a further movement of rural workers into the urban area, is adding to the existing unemployment.

In Montreal, the level of employment remains high but the normal winter displacement of longshoremen, seamen and construction workers has not been offset this year by snow removal activity, and a large number of transients from rural areas have added to the problem.

In mining areas throughout the region, prospecting and mining have been expanding steadily and new projects are developing rapidly. Record activity is expected in the spring.

ONTARIO



Employment in this region has been maintained above last year's level. Unemployment is currently relatively slight at 5 per cent of the labour force, well under the national average. Any increases over last year's unemployment is due primarily to three factors, each of which reflects the return to a normal balance between supply and demand. These are: more extensive seasonal lay-offs in manufacturing as competition forces employers to return to the pre-war practice of producing in low-cost periods; lay-offs of inefficient workers to reduce labour costs; and the re-appearance of transient workers who move from city to city and sometimes register as unemployed at more than one employment office.

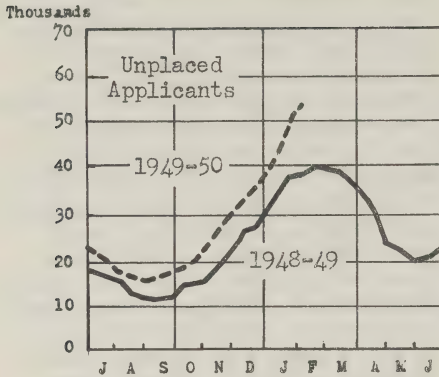
Area problems are not serious, and in most cases are due to the normal closing of construction, which has displaced an enlarged labour force this year. The suspension of inland navigation, and other outdoor industries is also a yearly occurrence. Thus in Hamilton, London, Kitchener-Waterloo, Toronto, Windsor, Ottawa, for example, employment has stayed at or above last year's level. Even in cases where lay-offs in manufacturing have occurred, for the most part this has been due to such causes as the release of yard labour, or the normal drop in demand for industries such as building products and clothing. Currently, some re-hiring is under way.

In Oshawa and Windsor, plans by the automobile industry for 1950 indicate further employment expansion. One plant extension now under construction will provide employment for 1,000 more workers. Currently, however, the labour dispute in the United States automobile industry, if not settled soon, may affect supplies for the Canadian plants and cause lay-offs.

At Sudbury, base metal mining smelters, refineries and pulp mills continue at the 1949 level of operations

In most areas, employment in wholesale and retail trade has been maintained above last year's level, although the usual seasonal slump occurred during January. Border areas such as Niagara Falls report that many Americans are buying in Canada to take advantage of the 10 per cent discount on Canadian money.

PRAIRIE



Employment in the Prairies has expanded steadily over last year's level. Current employment is seasonal for the most part and confined to certain areas. Unplaced applicants form 5 per cent of the regional labour force, which is below the national average. In addition, several areas report that many of the applicants registered are not actively interested in work, but wish to use up accumulated unemployment insurance benefits.

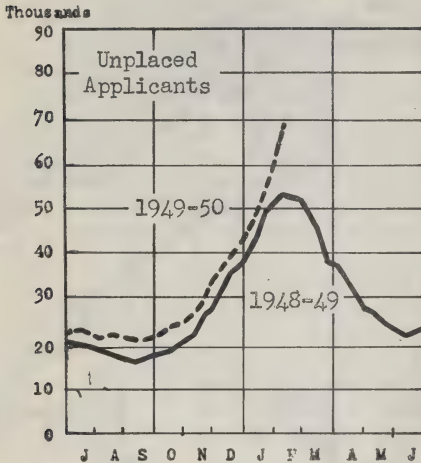
Already attention is turning to the outlook for spring, and as logging activity declines workers are registering for jobs in construction. Farm employment will remain near last year's level this coming season, according to indications. If slight curtailment does occur it will be due to further mechanization rather than curtailment of production.

In the Lakehead area, where unemployment has been concentrated fairly heavily as a result of reduced logging, and the seasonal drop in transportation employment, the heavy logging lay-offs expected during January were avoided when several large producers extended cutting schedules. Hauling operations were under way, however, and smaller contractors were reducing their staffs. Provincial intervention should encourage greater co-operation between pulpwood producers and sawmill operators, and increase employment in the latter industry.

In the western section of the region, severe weather has affected employment temporarily. In the Regina area, blocked roads have held up deliveries of livestock to packing plants and resulted in lay-offs; all construction work, even on closed-in buildings has also been forced to halt. Calgary reports a similar situation, and its effect on the trade and service industries; in this area, a record season for construction is expected in the coming months. The deep snow and severe weather also has indirectly affected coal mining employment at Blairmore, Drumheller, Medicine Hat and Edson by causing a shortage of box cars, but capacity operations continued at Edmonton and Estevan.

In the Alberta oil area, the great exploration and construction program for the year is starting. Work is about to begin on the Edmonton-Regina section of the pipeline to the Great Lakes.

PACIFIC

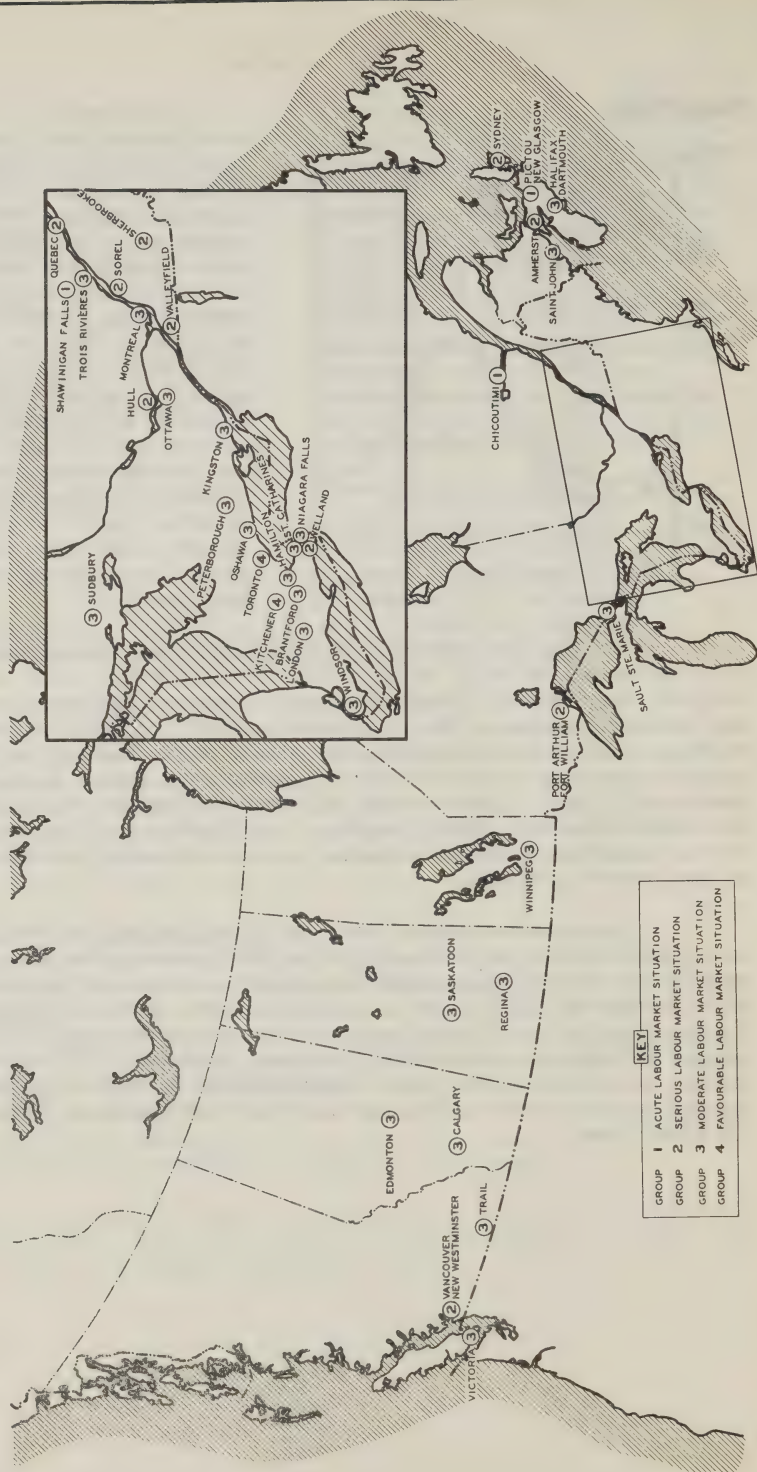


Employment in this region was being maintained above last year's level until a series of unusual storms disrupted activity. Heavy snowfalls during the past two months have halted most logging and construction work, and held up sawmill and transportation operations. Trade and service employment has also been affected. Currently, 16 per cent of the labour force are registered as unplaced applicants and there is little hope for improvement until the weather moderates. Occupationally, loggers and sawmill workers, truck drivers and construction workers, account for almost one-half of all male applicants.

In the Vancouver-New Westminster area, sawmills and shingle mills adjacent to fresh water booming grounds were forced to close several times during January because of ice conditions which froze logs and conveyor systems. The ice pressure also has damaged numerous small fishing craft--many have sunk--and others will probably suffer damage when the ice breaks up; the fishing season was poor this year, and many owners will find it financially difficult to repair extensive damages. The unemployment situation has been complicated in this area by the influx of unemployed from interior points--creating a welfare as well as an employment problem.

In interior points such as Prince George, only a few sawmills are operating and production is being carried on under very difficult conditions; in Vernon, a shortage of hydro power has been adding to the difficulties of this industry. On Vancouver Island, Victoria, Courtenay, Duncan, Nanaimo and Port Alberni all report heavy unemployment as a result of logging and sawmill closures. However, it is emphasized in almost all these reports that the situation is temporary, although the danger of soft roads during the thaw may further delay logging operations in some areas.

FEBRUARY 1, 1950



LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I—Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II—Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III—Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV—Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for January and February of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group

Area	Ratio Feb. 1 1950	Group Rating		
		Feb. 1 1950	Jan. 1 1950	Feb. 1 1949
<u>Population of 100,000 and over</u>				
Vancouver.....	17	II	III	II
Quebec.....	16	II	II	II
Windsor.....	9	III	III	III
Winnipeg.....	9	III	III	III
Calgary.....	9	III	III	III
Victoria.....	9	III	III	III
Hamilton.....	8	III	III	III
Montreal.....	7	III	III	IV
Ottawa.....	7	III	III	III
Edmonton.....	6	III	IV	III
Toronto.....	4	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	20	II	II	II
Fort William-Port Arthur.....	14	II	III	III
Saint John.....	12	III	III	III
Halifax.....	11	III	III	III
Regina.....	8	III	III	III
London.....	6	III	IV	III
Kitchener-Waterloo.....	3	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	31	I	I	II
Shawinigan Falls.....	25	I	II	II
Hull.....	23	II	II	II
Sherbrooke.....	16	II	II	III
Three Rivers.....	12	III	III	III
Brantford.....	10	III	III	IV
Oshawa.....	8	III	III	III
St. Catharines.....	7	III	III	III
Kingston.....	6	III	III	III
Peterborough.....	6	III	III	IV
Sault Ste. Marie.....	6	III	IV	IV
Saskatoon.....	6	III	III	III
Sudbury.....	5	III	IV	IV
<u>Population of under 25,000</u>				
Pictou-New Glasgow.....	25	I	II	II
Sorel.....	24	II	I	I
Valleyfield.....	21	II	II	II
Welland.....	19	II	II	III
Amherst.....	18	II	III	III
Niagara Falls.....	6	III	III	III
Trail.....	6	III	IV	IV

INDUSTRIAL EXPANSION FIRST QUARTER. 1950



As industrial expansion has been one of the main sources of new employment in the past few years, the Department of Labour has written all manufacturing firms reported as building new plants to obtain estimates of the resulting increase in employment. On the basis of information received in this manner, some 1,400 new jobs have been reported as opening up in the first quarter of 1950. This indicates a continuation of the levelling-off in employment resulting from industrial expansion which became apparent in 1949.

Information is given in the table below on 960 jobs which will result from plants expected to begin production in the first three months of this year. Expansion in productive facilities, however, does not always result in increased employment. This can be illustrated by excerpts from letters received from companies in the following industries:

Chemical Products.- Toronto, Ont.:

"Our new factory is being built to take the place of our old one..... It will however, have considerably increased capacity. Thus, if the full capacity were utilized it would be possible to employ an additional 600 people. However, at the present time, we do not foresee that we will require any more employees than we have had in the past and....it is quite possible that our staff will be reduced."

Non-Ferrous Metals - Toronto, Ont.:

"....our new smelting furnace is expected to produce about twice as much material as the one it is replacing. However, the new furnace is much better equipped for mechanical handling of materials and therefore, we expect to operate with our present crew."

Petroleum Refining - Calgary, Alta.:

"We are at the present time expanding the cracking capacity of our refinery (at Hartell, Alberta) by about 50 per cent and expect to have the new operation in effect around the first of April, 1950. This new extension will considerably increase our refinery capacity but the primary object.....is to bring ourselves up-to-date to meet public demand for the type of fuel required, so this does not necessarily mean that we will be employing additional help."

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION

- First Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Quebec</u>			
Granby	The Peeters Textile Mills Ltd.	Textiles	125
Montreal	Matteo Cacchione	Non-ferrous Metals	3
Montreal	Viola Knitting Mills Ltd.	Textiles	100
St. Rose	Rayonese Textiles Ltd.	Textiles	30
<u>Ontario</u>			
Ajax	Dominion Viscose Products Ltd.	Chemicals	125
Iroquois	Caldwell Linen Mills Ltd.	Textiles	25
London	Eaton-Wilcox-Rich Ltd.	Transportation	150
London	Holeproof Hosiery Co. of Canada Limited	Textiles	15
Newmarket	The Office Specialty Mfg. Co. Limited	Wood Products	30
Niagara Falls	Canadian Ohio Brass Co.Ltd.	Non-metallic Minerals	15
Oshawa	R. D. Werner Company	Non-ferrous Metals	100
Toronto	Faberge Incorporated	Chemicals	40
Toronto	Kendall Company (Canada) Limited	Textiles	15
Welland	Joseph Stokes Rubber Co. Ltd.	Rubber Products	75
West Lorne	The Medcalf Shoe Co.Ltd.	Leather Products	50
<u>Pacific</u>			
Cranbrook	Western Oxygen Co. Ltd.	Chemicals	12

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

C A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR
ECONOMICS AND RESEARCH BRANCH

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March

1960

Government
Publications

FEATURE ARTICLE.....

Employment and Economic
Conditions, 1949-50

Volume 7

Number 3

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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

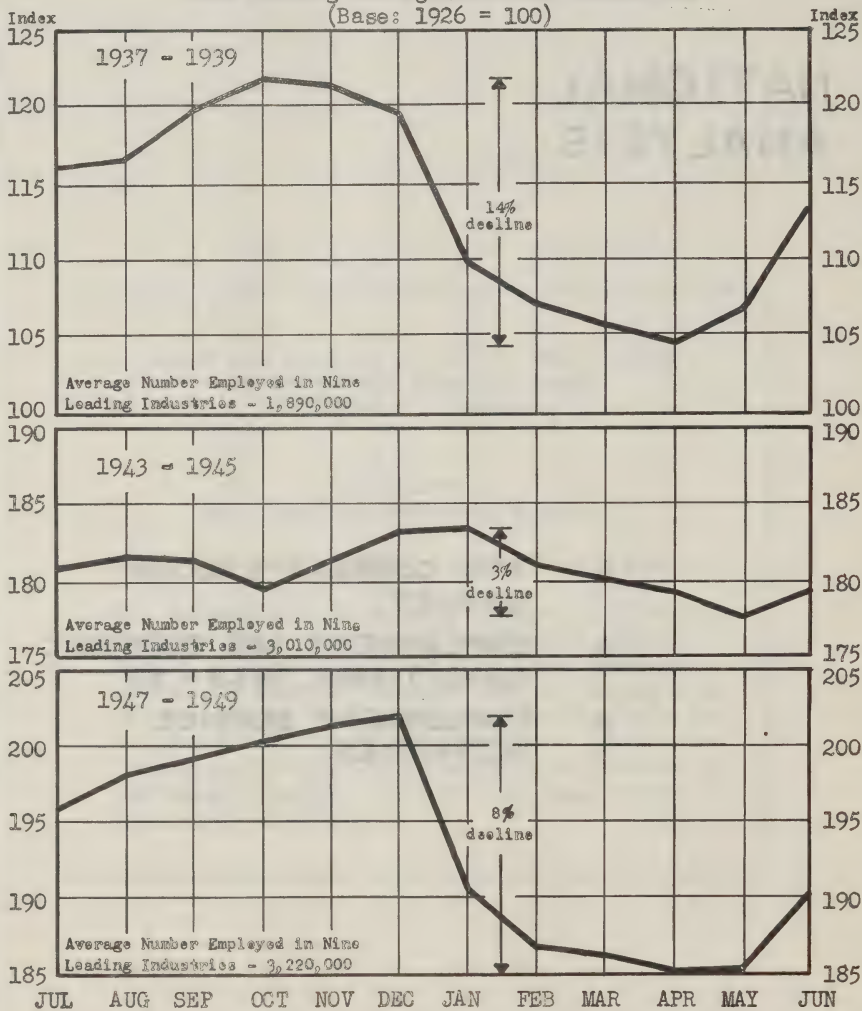
The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS.....

- ▲ THE CURRENT LABOUR
MARKET
- ▲ EMPLOYMENT AND ECONOMIC
CONDITIONS, 1949 - 50
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

VARIATIONS IN EMPLOYMENT SUMMER AND WINTER

Average Monthly Indexes
Nine Leading Non-Agricultural Industries
(Base: 1926 = 100)



THE CURRENT LABOUR MARKET

The employment situation is continuing to improve throughout most of the country, according to reports received from local employment service offices at the beginning of the month. On March 2, there were 375,900 persons seeking work through the National Employment Service, a decline of 5,000 from the peak at February 9.

In recognition of the special seasonal unemployment problem in Canada, Parliament has amended the Unemployment Insurance Act to provide benefits for many more of those out of work in the winter. Briefly, unemployment insurance is to cover the highly seasonal logging industry in eastern Canada, and supplementary benefits are to be paid to certain classes during the period January 1st to March 31. The supplementary benefits will amount to 80 per cent of normal benefits, and will be payable on application to those who have exhausted their benefit rights, and to those who have built up benefit rights by working a minimum of 90 days in the previous 12 months.

Because of new registrations from persons claiming supplementary benefits under the recent changes in the Unemployment Insurance Act, there was a slight decrease of 1,300 between February 23 and March 2. By this date, local offices had received about 12,000 applications for supplementary benefits, of which some 3,000 were made by persons not previously registered. If these new applications for supplementary benefits are deducted from the total of registered job-seekers at March 2, it is evident that the decline in unemployment continued during the first week in March.

Improved weather conditions in British Columbia meant a substantial increase in employment for loggers, sawmill and construction workers, whose work had been disrupted by the storm. Recent snows in eastern Canada permitted hauling to proceed in the woods. In industrial centres, renewed seasonal activity in sectors of manufacturing such as leather, clothing and rubber factories, agricultural employment plants and shipyards, meant many workers were re-called who had been laid off in the previous slack season. In some sections of the country, job openings were reported for choremen, as farmers began to prepare for spring planting.

As employment slowly begins its seasonal rise, what are the prospects for 1950? The overall level of investment, production and employment will be fairly close to that of 1949. Since labour income appears likely to remain at a high level, domestic demand and the increasing diversity of our domestic production should be powerful sustaining forces, even if there is some slackening demand for exports. Nevertheless, we may expect areas of relatively high unemployment to remain with us, as production in some industries expands and contracts in response to more competitive markets. Seasonality is also likely to become more pronounced, as in this past winter.

CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date This Year From Same Period Last Year
<u>Manpower</u>					
Registered for work, N. E. S....	Mar. 2	375,874	† 0.4	†43.4	†44.8
Per cent of labour force.....	Mar. 2	7.4★	7.3★	5.4★	-
Per cent of paid workers.....	Mar. 2	10.4★	10.4★	8.0★	-
Ordinary live claimants.....	Feb. 1	297,238	†33.9	†50.4	†52.0
Per cent of insured population.	Feb. 1	11.6★	8.7★	8.2★	-
Per cent of unplaced applicants	Feb. 1	78.0★	81.0★	77.0★	-
Claimants for supplementary benefits.....	Mar. 2	5,000	-	-	-
Amount of benefit payments.....	Feb.	\$13,605,340	†15.5	†66.8	†70.5
Index of Employment (June 1, 1941 - 100).....	Jan. 1	127.2	- 3.8	- 0.9	-
(Eight leading industries)					
Immigration.....	Jan.	3,710	-28.2	-50.2	-
<u>Earnings and Income</u>					
Total labour income.....	Dec.	\$642,000,000	- 2.9	† 4.6	† 7.3
Average weekly salaries & wages. (Eight leading industries)	Jan. 1	\$ 42.38	- 1.6	† 4.9	-
Average hourly wages (mfg)....	Jan. 1	\$ 1.01	† 1.2	† 4.1	-
Average hours per week "	Jan. 1	40.0	† 6.8	† 1.5	-
Average weekly wages "	Jan. 1	\$ 40.48	- 5.7	† 2.6	-
Cost of living index (Av. 1935 - 39 - 100).....	Feb. 1	161.6	† 0.4	† 1.3	† 1.1
Real weekly wages (Mfg. Av. 1946 - 100).....	Jan. 1	110.2x	† 1.5	† 2.4	-
<u>Industrial Production</u>					
Total (Av. 1935-39 - 100).....	Jan.	186.9	0.0	† 4.7	-
Manufacturing.....	Jan.	196.1	- 0.5	† 4.1	-
Non-durables.....	Jan.	175.9	- 4.0	† 1.3	-
Durables.....	Jan.	230.8	† 4.4	† 8.0	-
<u>Industrial Relations</u>					
Strikes and lockouts-days lost..	Feb.	26,300	-	-	-

x January data adjusted for holidays

★ These figures are the respective percentages for the previous month and for the same month last year

EMPLOYMENT AND ECONOMIC CONDITIONS 1949 - 50

What is generally conceded to have been one of Canada's most prosperous years is now history. Despite the uncertain outlook which existed early in 1949, the economy has passed through a period of intense industrial activity, directed both to the satisfaction of consumers' wants, and to the production of capital goods. This has been favourably reflected in a record year of national income, and a high level of employment. Today, since much the same fears are expressed as were voiced in the opening months of 1949, an analysis of the experience in 1949 might be of assistance in evaluating the economic and employment outlook for 1950.

As the Canadian economy moved into 1949, there was sufficient strength present to warrant reasonable optimism. It was evident that domestic investment would continue strong. The large amount of disposable income in the hands of consumers also indicated continuing strong effective demand for consumer goods of all kinds. Hence the main worry confronting business was the condition of our export markets. Some apprehension existed over a possible recession in the United States, and consequent repercussions upon Canada. But the main problem was the uncertain future of Sterling markets, in which many of our foreign sales had traditionally been made. Some reduction in overseas exports was expected as a result of dollar shortages and the growing competitiveness of world trade, and production cut-backs with higher unemployment seemed a very real possibility.

These fears did not materialize to any extent. Instead, production and employment mounted steadily through the spring and summer until, by July, it was apparent that 1949 was going to be a very prosperous year. Developments during the rest of 1949 have borne this out. For the year, industrial production averaged a little above the very high output of 1948, and national income passed the record set in that year. At the same time, those wholly unemployed numbered less than 3 per cent of the labour force on the average. Private investment was higher than ever before, being estimated at nearly three billion dollars. Our export markets, too, held up much better than was expected. The 25 per cent cut in dollar purchases announced by Sir Stafford Cripps for the E.R.P. year 1949-50 evidently was not carried out in the last half of 1949, for Canadian exports to the United Kingdom rose 15 per cent above the same period in 1948. In addition, exports to the United States held quite close to the record shipments during 1948, in spite of the mild recession in that country. This, combined with continuing strong effective domestic demand, proved sufficient to absorb the production of Canadian industry and, thus, to maintain a high level of employment.

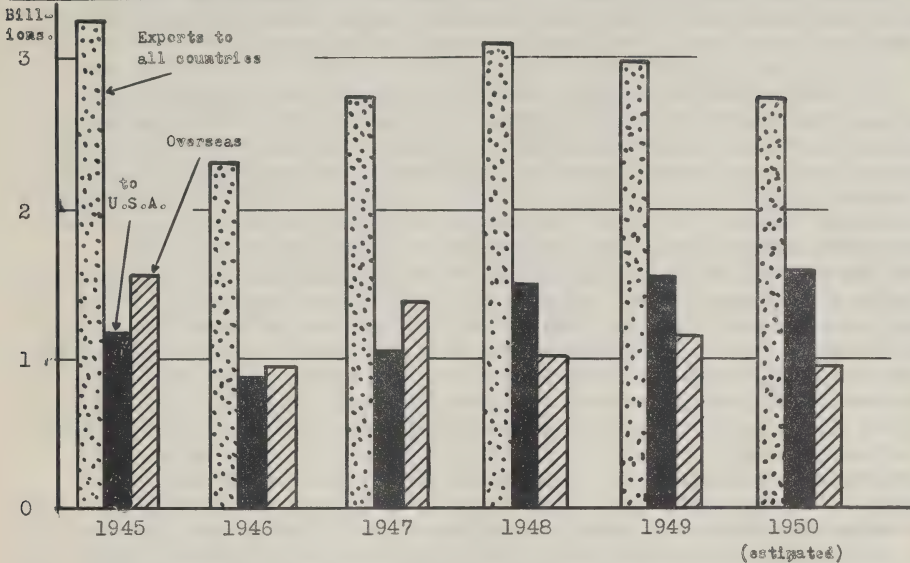
While in aggregate, the picture in 1949 was good, there were certain developments during the year that require a closer examination, for they indicate a definite change from the immediate post-war pattern. In private investment, expenditures were turning from machinery and equipment to construction. In foreign trade, there was a continuation of the shift of exports away from overseas markets to American markets, that was sharpened by devaluation. The effect of these broad movements on individual industries, and hence on employment, has been quite substantial. This is an important consideration since a pattern of contracting and expanding industries, even though total production does not change, must inevitably result in some unemployment. When a worker loses his job, it usually takes some time to find another one even when other industries are expanding. Labour is far from being completely mobile, and when the different industries are separated by physical distance as well as by type of skills required, this problem is accentuated.

The strongest factors in the high level of capital investment in 1949 were housing, electric power development, farm-equipment, schools, hospitals, and public buildings. Housing and utilities investment, which accounted for two-thirds of the total investment expenditure of 1.8 billion dollars, showed estimated increases of 12 and 14 per cent respectively over the previous year. On the other hand, investment in machinery and equipment fell off by about 5 per cent from 1948, and there were signs of a decline in plant expansion. There is ample room here for conjecturing as to the possible implications of this shift. For the moment, however, we may say that this at least points to an increase in seasonal unemployment, since construction is more vulnerable to weather and climatic conditions than is the manufacture of producer goods.

The changing pattern of our foreign trade has also had varying effects upon Canadian industry. It is no simple matter to trace and analyze the complex effects of a shift in foreign trade upon the industrial life of an economy. It is possible, however, to outline the broad adjustments which appear to have taken place. In this connection a distinction has been made between those industries which are mainly dependent upon export shipments, and those which are more concerned with sales to the domestic market. Both types must adjust to changing patterns of world trade, but the former has to compete with foreign producers in foreign countries, while the latter competes with foreign producers in the domestic economy. The latter might be expected to be in a relatively better position, since not only are their transportation costs lower, on the whole, but they are also in closer touch with their markets.

Those industries serving mainly overseas markets have been affected severely, particularly those with competitors situated in the Sterling areas. Apart from wheat and base metals, which maintained the level of total exports, exports to the Sterling areas were 27 per

VALUE OF EXPORT TRADE, 1945 - 1950



cent lower in the first ten months of 1949 than in the same period of 1948. The shipbuilding and Maritime lumber industries have so far been most affected by reduced exports to this area. Such industries as base metals, aluminum, West Coast lumber, newsprint, and asbestos, were in the more fortunate position of either facing no formidable competitors in the Sterling area, or being able to shift to markets at home or in the United States. The latter was made possible both by the high level of demand in that country and by a substantial reduction of tariffs.

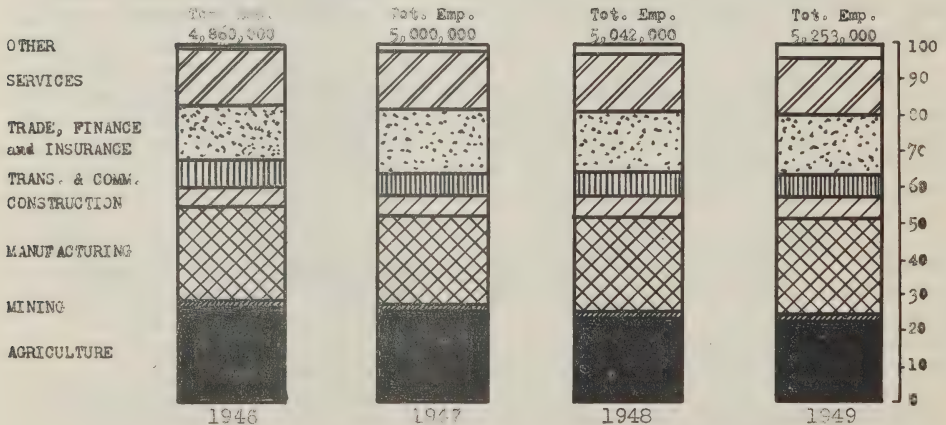
For those industries concerned primarily with the domestic market, the same variation in impact is apparent. Although strong internal demand sustained domestic employment and production in most industries, a few, such as primary woollen textiles, began to feel the stiff competition from Sterling area producers.

Devaluation of the pound Sterling, and of the Canadian dollar sharpened these tendencies, which were already apparent. The shipping and shipbuilding industries, the lumber industry of the Maritimes, and some pulp mills were heavily hit by the increased price of Canadian products in Sterling countries. On the other hand, those industries concerned with the U.S.A. market received further encouragement, especially the gold-mining industry. Significantly, it has made the Canadian economy more dependent than before upon continued prosperity in the United States.

The same sharpening was evident on the domestic scene. The position of woollens and hosiery became more serious. Other industries such as coal, oil, and some steel products facing American competition for the domestic market found their position strengthened.

The impact of the above developments upon employment can be seen more clearly when the time element is introduced. From a seasonal low, employment in Canada mounted through the first half of 1949, until by August the total number employed was 2 per cent above August of 1948, the largest on record. Adjustment to the changing pattern of world trade was already showing itself in the emergence of short-time work and some unemployment in industries such as shipbuilding, although this was hidden by the rapid upsurge in construction, agriculture, and the mining industries. In August, the announcement of a 25 per cent reduction in dollar purchases by Great Britain hinted at what was to come. The next step was world-wide devaluation in September. Business in general became rather hesitant, those that feared intense competition from Sterling producers, both in home markets and abroad, being particularly so. This deterred the expansion of job opportunities in manufacturing where it did not actually result in short-time and unemployment. Then, as the construction season tapered off, one result of the pronounced shift of investment expenditures toward construction was shown as seasonal unemployment began to increase. Finally, the reduction of employment opportunities in forestry operations, due partly to the uncertain export situation, partly to fairly large inventories, and partly to poor climatic conditions, resulted in a reduction of job opportunities for those who were accustomed to this type of winter employment. All these factors have contributed to our unemployment problem this winter.

POST-WAR DISTRIBUTION OF EMPLOYMENT
(By Industry)



What, then, are the prospects for 1950? It has been pointed out already that the significant developments during 1949 were the changing pattern of our foreign trade, and the shift in domestic investment from machinery and equipment to construction and resource development. At the same time, the supply of many goods has been brought more in line with demand as the result of the high level of domestic production. An evaluation of the outlook for 1950 calls for a re-examination of these developments, as well as a closer scrutiny of the sustaining power of the domestic economy.

The picture of foreign trade at this time is a little different than last year. It is apparent that the major portion of our exports will go to the United States this year, and that the prosperity of our export industries will be more dependent than ever upon a continuing high level of demand in that country. It now seems probable that the American economy will experience reasonable prosperity for the major part of 1950. This should be reflected in a good year for Canadian producers of base metals, lumber, newsprint, and many other products.

On the other hand, the outlook for Sterling markets is still uncertain. Devaluation of Sterling, and the 25 per cent cut in dollar purchases announced in Britain last August, certainly indicate some reduction in exports during the first half of 1950. This may be offset later in the year if the British drive to expand sales in North America meets with success. For the moment we may anticipate a decline in exports to the Sterling area, which should be offset in large measure by increased exports to the United States.

The picture of domestic investment is also a little different than in 1949. The decline of investment expenditures in producer goods appears likely to continue. At the same time, investment in commercial establishments, utilities, mining, residential and institutional construction seems quite likely to offset the decline of investment in manufacturing. The new element, of course, is the growing importance of resource development. Western oil development, Ungava and Steep Rock Lake iron ore projects, and the Quebec titanium project are all going ahead this year. They should not only provide employment opportunities in themselves both for construction and operation, but also provide the basis for important secondary development, such as pipe lines, refineries, smelters, and secondary industry in general. Thus investment expenditures in producer goods may swing up again later on, once primary resource development provides the necessary raw materials for further expansion in the economy.

Another important indicator is the level of effective demand. The economic outlook does not suggest any marked deterioration in incomes. Deposits in the chartered banks are as high as ever. Labour income appears likely to continue at a high level. Some decline is expected in agricultural income, but not as much as was feared in the later months

of 1949. However, such injections into the income stream as took place in 1949 as, for example, the retroactive payments to farmers and the repayment of compulsory savings, will not appear in 1950. This may be offset by some expansion of instalment credit buying. In general, we may say that the level of demand is such as to encourage producers to maintain a high level of production, although varying movements are likely to emerge as the weight of consumer demand shifts from one product to another.

Hence, taking these factors into consideration, the picture appears to be fairly bright for 1950. The overall level of investment, production and employment should be fairly close to the level of 1949, provided that the present high demand for Canadian products in the United States is maintained. At the same time, domestic demand due to the increased population of Canada, up 17 per cent since 1939, and the increasing diversity of our domestic production as a result of heavy war and post-war investment in plant and equipment, should be powerful sustaining forces.

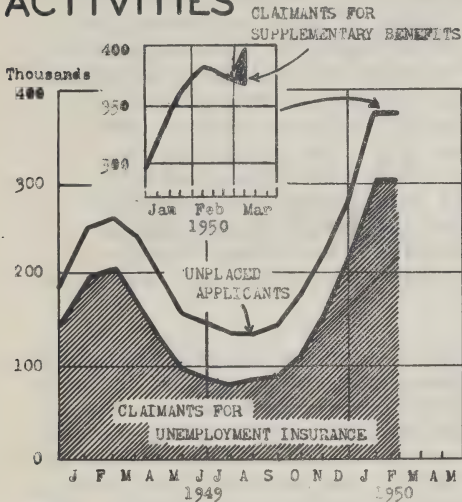
We may, however, expect areas of relatively high unemployment to remain with us as production and employment in some industries expands and contracts, in response both to shifting demand at home and abroad, and to relative costs structures. This is to be expected in a dynamic economy operating in competitive world markets.

Consumer purchasing power will bolster production as long as total disposable income is sustained. As particular consumer needs are satisfied, however, the flow of purchasing power will be re-directed and some temporary dislocation may follow. This tendency was apparent in 1949, and will probably continue in 1950.

The pattern of production may also be affected by the level of operating costs as adjustments are made to increased competition both from domestic products and from foreign imports. The availability of new, cheap raw materials such as oil, chemicals, iron and titanium, however, should add a spur to domestic industry.

Some increase in unemployment may occur, then, as a result of this shifting pattern of production. With seasonal industries becoming more and more important in the Canadian economy, the unemployment problem will be accentuated in the winter months.

EMPLOYMENT SERVICE ACTIVITIES



During the first week of March, some 20,000 persons applied for supplementary benefits in accordance with the recent amendments to the Unemployment Insurance Act. Many of these workers had previously exhausted their regular benefit rights or did not have sufficient contributions to claim. Others had been employed in industries not previously covered by unemployment insurance. The latter group includes persons employed in lumbering and logging in Central and Eastern Canada.

Each winter, this supplementary aid will be available from January 31 to March 31; this year, it will extend from February 28 to April 15. Payments will amount to 80 per cent of the regular benefits and will be paid for a period which is based upon each worker's employment record.

There will be many workers with exhausted benefit rights who will be assisted by these new provisions. For example, workers who are employed for a few months each summer on the farms and perhaps six months on various construction projects - and there are many whose employment pattern is like this - build up sufficient contributions to entitle them to two or three months unemployment insurance benefit payments. In many cases, these are unskilled workers who are usually laid off some time in December and who have exhausted their ordinary benefit rights by the end of February. The new supplementary benefits will now give these workers some financial assistance until outside work opens in March and April.

On the whole, unskilled workers will likely be helped to the greatest extent by the provision for the payment of supplementary benefits. Skilled workers usually have steady employment for at least nine or ten months of the year and thus their contributions are sufficient to provide benefit payments for the remaining weeks.

Supplementary benefits will also be available for new-comers to the labour market or to insured employment, for example youths, immigrants, or farm workers taking a factory job, after three months of employment. Assistance to this group of workers will last from 18 to 36 days.

Compensation is also provided for workers in the logging industry in Central and Eastern Canada where unemployment has been heavy this year. In a two-way measure, workers in this industry were to be covered by unemployment insurance after April 1, 1950, and were also given special assistance from February 28 to April 15 this year. This latter provision will be of particular benefit to local areas in Quebec and New Brunswick where unemployment this winter has been severe. Up to this time, unemployment insurance has not protected many of the workers in these relatively rural areas.

Since about 70 per cent of all paid workers are covered by unemployment insurance, an examination of the various trends in the operation of the unemployment insurance and the Employment Service is valuable in ascertaining the characteristics of this winter's unemployment problem.

The trend in unemployment appears to be fairly well defined in the week to week report on applicants registering at employment offices. January, as usual, has been the month when most of the unemployed lost their jobs. Of the approximately 375,000 persons registered at the end of February, about 100,000 were added during January. Unplaced applicants had increased by about the same number during the previous three months. This steady increase in unemployment began to reverse in February. This year, the downtrend started earlier than last because of improved weather conditions in British Columbia. However, there were also signs of a general improvement in employment conditions. Job-orders on file at employment offices have been consistently increasing, if only slightly, ever since the middle of January. By February, placements were increasing for men and women in almost all regions, and by the end of the month were higher than in both the earlier weeks in 1950 and for the same period in 1949.

Most workers have experienced a longer period of unemployment this year than last. The increase of from 40 to 45 per cent in unplaced applicants over the year indicated not so much more persons looking for work as the usual seasonal help remaining unemployed for longer periods. Proportionately more this year had been claiming benefits for more than three months. In other years, they would be found in the group registered for two weeks to two months. Despite this change, at the beginning of February, most claimants had been unemployed for less than a month.

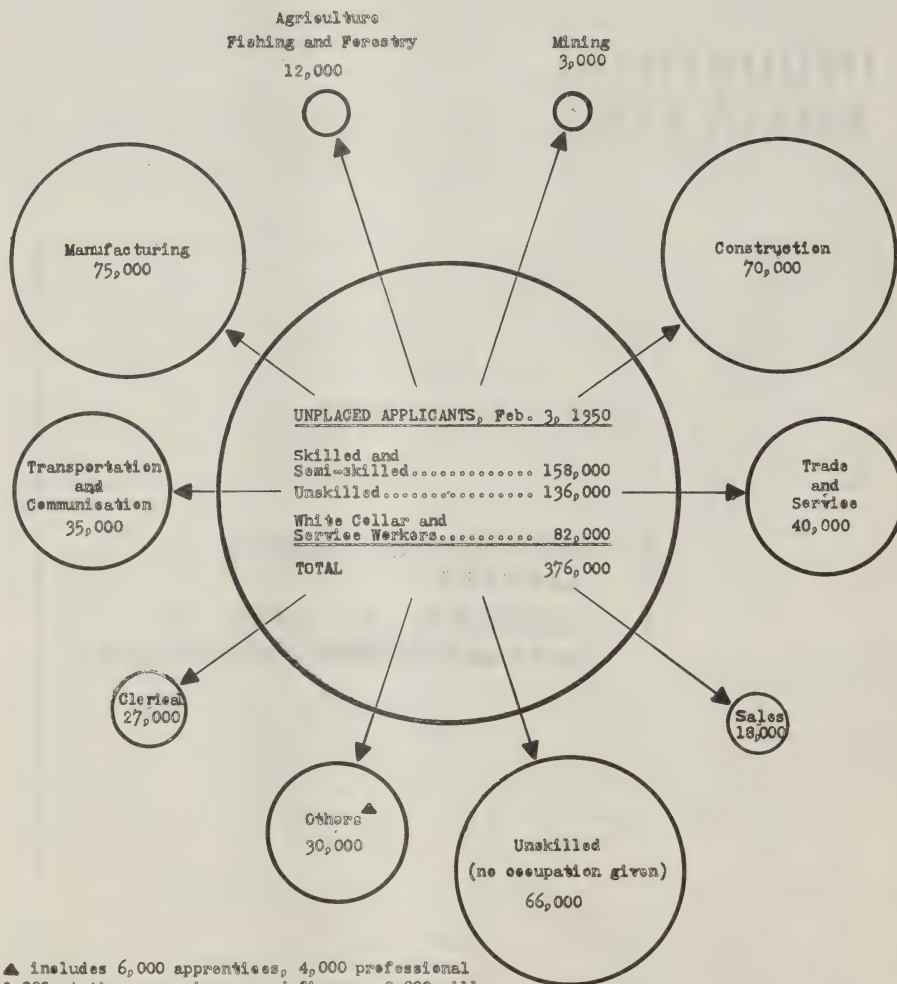
There has also been a wider variety of workers displaced this year. The proportion of workers registered who are skilled or semi-skilled is higher than in recent years. More of the applicants are in the age group 20 to 44 years than in previous years. Clerical and trade workers and others not usually seasonally affected have been released this winter. Women workers also were seasonally displaced to a greater extent than usual. In addition, many married women whose husbands were unemployed were registering for jobs.

INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR
MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

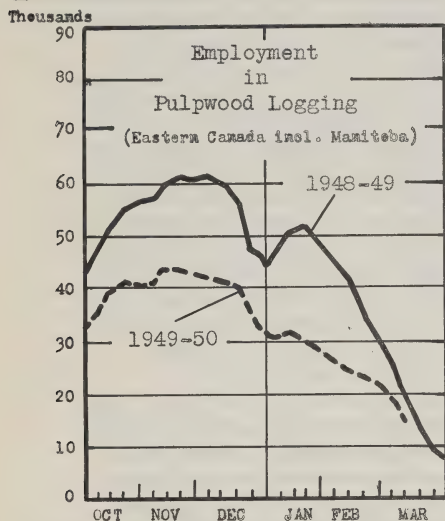
PERSONS SEEKING JOBS THROUGH THE NATIONAL EMPLOYMENT SERVICE

(BY MAJOR OCCUPATIONAL GROUPS AT FEBRUARY 23, 1950)



▲ includes 6,000 apprentices, 4,000 professional, 3,000 stationary engineers and firemen, 3,000 millwrights, 2,000 crane men and shovelmens.

INDUSTRIAL LABOUR MARKET LOGGING



as reported by Canadian Pulp & Paper Association.

mentary benefits if they have worked a total of 90 days in logging or some other insured occupation during any continuous twelve-month period in the previous year and one-half. These supplementary benefits are to be paid from March 1 to April 15, 1950.

British Columbia: Moderation in weather conditions made possible the gradual resumption of work in the west coast logging industry during February, after snow and cold weather had forced an almost complete shut-down. Low-level camps, benefiting from coastal rains, were the first to re-open. In eastern and southern interior points, the majority of operators remained closed because of snow conditions which blocked roads. It will be some time before conditions return to normal in the industry but continuous improvement in the employment situation is expected until the seasonal slump in the Fall.

At February 23, there remained 4,732 loggers registered as unplaced applicants at employment offices in the Pacific region. The peak in unemployment was reached in the first half of February, with the proportion of those registered with the National Employment Service increased during the month as unemployed loggers began to register in anticipation of the provision of supplementary benefits.

Eastern Canada: Hauling operations, which were delayed by lack of snow and mild weather early in 1950, got under way during February. With heavy snow-falls, trucks, tractors and teams were able to start moving the logs to the mills and dumps. There was an increase in labour requirements for teamsters and loaders for this type of work, with a few vacancies for cutters and peelers still reported. Generally, the supply of labour available exceeded demand, although a few areas, such as Timmins and The Pas, reported labour shortages.

Logging occupations were among those benefited by the amendments to the Unemployment Insurance Act which became effective on March 1. Workers in the lumbering and logging industries in all provinces except British Columbia, where loggers already come under the Act, are now covered by unemployment insurance. These workers can apply at once for supple-

AGRICULTURE

Wages offered farm workers this winter have been below 1949 levels, according to the Dominion Bureau of Statistics quarterly report on farm wage rates at January 15. This downward movement continues a trend which became apparent in some areas last summer and which is now common to all provinces. Wage rates paid were highest in British Columbia, with divergent trends in the other provinces. The Canada average is given below:

	<u>With Board</u>			<u>Without Board</u>		
	<u>1950</u>	<u>1949</u>	<u>1948</u>	<u>1950</u>	<u>1949</u>	<u>1948</u>
Per Day	\$ 3.63	\$ 4.04	\$ 3.62	\$ 4.52	\$ 4.97	\$ 4.66
Per Month	69.04	74.87	70.00	98.55	104.45	100.09

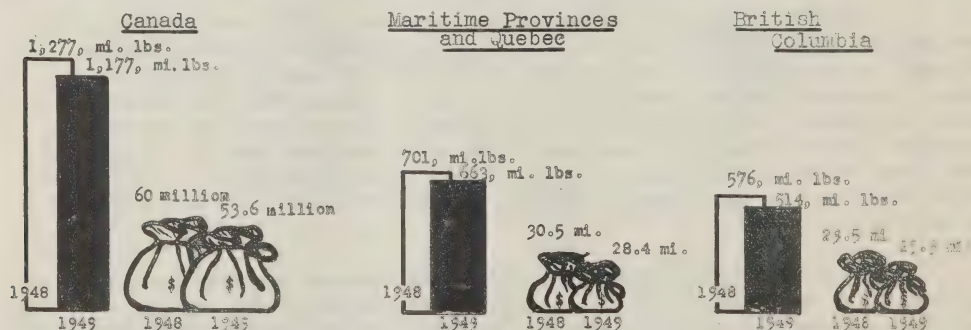
It is estimated that there were approximately 100,000 persons working as paid workers in agriculture in the slack winter season. Labour market activity in this group is very light, although there has been some demand for experienced hands for dairy farms this winter.

FISHING

The main problem in the fishing industry at present is the possible loss of export markets, which constitute 65 per cent of total production. So far, as the graph below indicates, there has been no major drop in sales, but the immediate future is uncertain in view of international trade restrictions and currency revisions. The Federal government, in conjunction with the industry, is therefore endeavouring to improve marketing opportunities, both at home and abroad.

LANDINGS AND LANDED VALUE - SEA FISHERIES, 1948 and 1949

(does not include Newfoundland)



During February, reports from the Maritimes indicate that this year's smelt catch was below normal but that markets and prices remained steady. Better landings were reported by the fresh fishing fleet during

February but competition with Scandanavian countries in the United States market may force prices down. Stocks of salt dry fish have not been moving as fast this year as previously. In the past five years, inventories have been cleared out by March, this year sales are not expected to be completed until April.

The Newfoundland herring fishery, which normally provides good employment and earnings during the winter and spring months, has been very poor this year. The market for salt fish improved, however, with the arranging of contracts with Spain and Portugal although some concern is felt about the price level. Commercial fisheries in Labrador are feeling the effect of competition with Iceland and Norway and earnings are small as trading is done with Mediterranean and West Indies countries where prices are low. Three sealing ships, with crews totalling about 250 men, will go out from Newfoundland this spring. Spotting of seals will be done by plane, with the provincial government bearing 80 per cent of the cost.

In the British Columbia herring fishery industry, good catches were reported in southern waters but weather conditions made harvesting difficult in the north. The final tally for the season was fairly good, 182,880 tons. The boats which had engaged in these fisheries were in port by end of February to convert to other types of fishing. In the Victoria area, salmon fishing traps were being readied for the seasonal run, with some demand for help for upcoast operations.

MINING

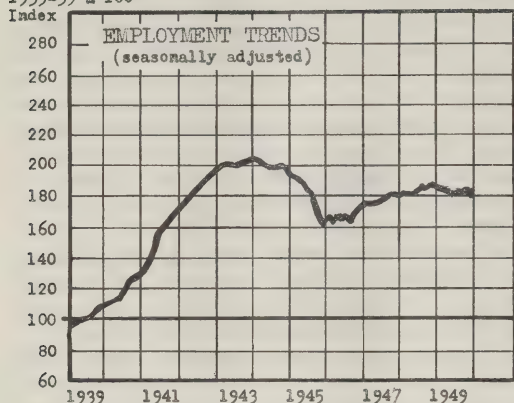
New collective bargaining agreements were signed in two important sections of the mining industry in the first two months of 1950. In the western coal mining industry, a two-year agreement affecting some 5,000 miners was signed by the United Mine Workers (C.C.L.) and the Western Canada Bituminous Coal Operators Association. Under the new contract, wages will remain at approximately the same level as last year. Miners are currently paid a wage varying from \$10.07 per day for labour, motormen and other classifications, to \$11.27 for power house engineers. Contract miners, who work on a tonnage basis, are guaranteed a daily minimum of \$10.95.

In the asbestos mining industry in Quebec, a new agreement was reached in January after a bitter four-month strike in 1949 and several months reference to provincial arbitration. The miners will continue to receive 10 cents an hour more than the pre-strike wage level and in addition, will receive a cost-of-living bonus, 40 cents weekly for each point rise in the cost-of-living index, retroactive to January 1, 1949.

The gold mining industry continues to expand, both in production and employment. Total production in 1949 was 4.1 million fine ounces, an increase of 17 per cent over 1948. The labour force in the industry increased to 23,000 by the end of 1949, or 3 per cent over 1948.

MANUFACTURING

1935-39 = 100



A review of manufacturing employment during 1949 shows that, on the average, the number of paid workers remained at about the same level as in the previous year. As estimate based on data published by the Dominion Bureau of Statistics places the 1949 index of employment at 182.1 (June 1, 1941=100), compared to the 1948 figure of 122.0. Employment was generally higher than 1948 in the first part of the year but fell off in the latter months. Wages, however, continued to rise during 1949, the average being \$44.00, about \$3.00 more than the comparable figure for 1948.

Although wages and employment are high, job opportunities have been decreasing and short-time work and lay-offs are more evident. There has been a resultant increase in unemployment among persons skilled in manufacturing occupations, of whom some 75,000 were seeking work through the National Employment Service at the beginning of March. About 39,000 of these were classified as skilled and semi-skilled workers, with heavy concentrations in the metalworking, lumber products and textile industries. In the following table, applicants for work at March 1 in occupations usually associated with the manufacturing industries are grouped in the larger occupational divisions in the industry.

<u>Occupational Group</u>	<u>Skilled</u>		<u>Unskilled</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
Food and tobacco	2,562	1,154	3,976	3,836
Textiles	2,852	8,457	1,557	1,774
Lumber and lumber products	4,701	212	7,200	422
Leather products	1,521	603	334	289
Metalworking	13,055	604	4,580	5
Transportation equipment	604	89	1,177	-
Other	1,590	1,130	6,378	2,603
Total	26,865	12,249	25,202	8,929

CONSTRUCTION

Unemployment among construction workers in the winter of 1949-50 was considerably larger than in previous postwar years, accounting for about 20 per cent of the total number of persons unemployed. In part, this was due to the fact that more workers were employed in the industry in the active season, a peak of 360,000 being reached last year, but the winter carryover of work was relatively smaller.

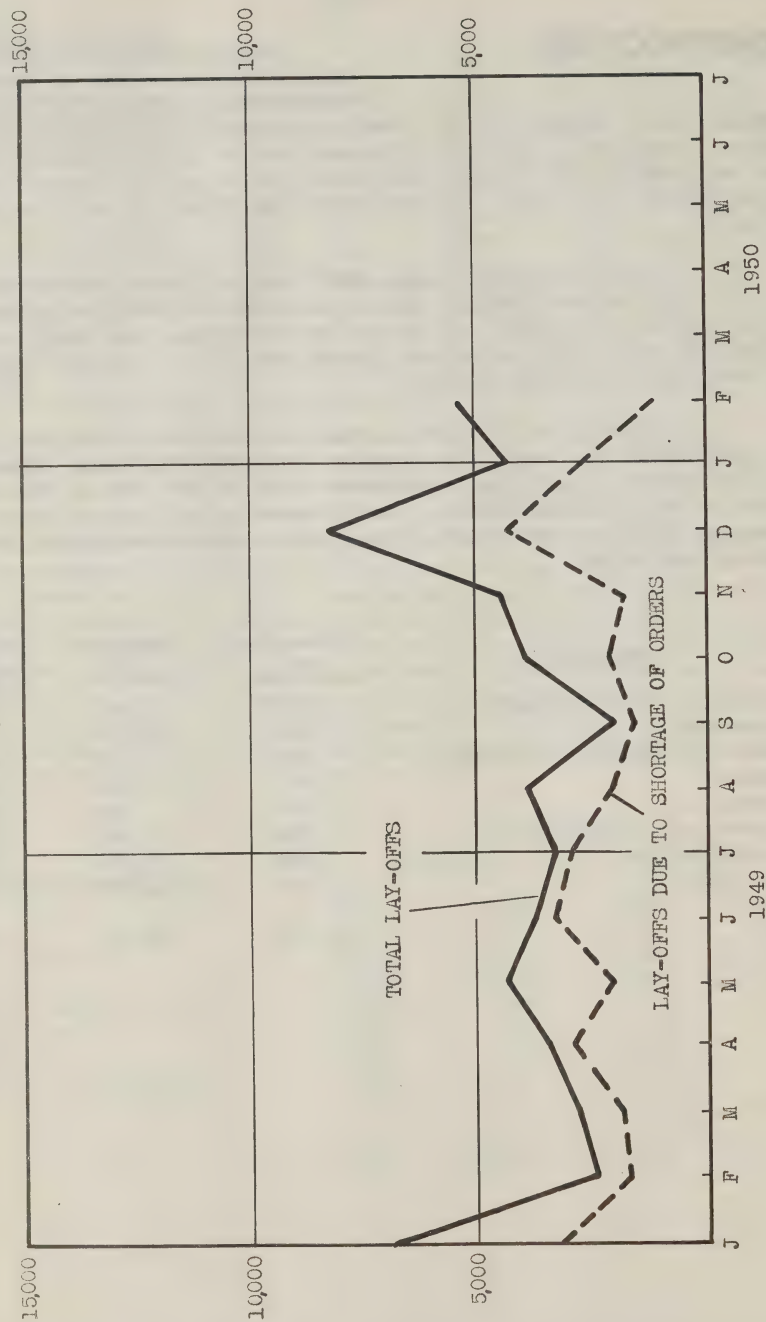
This increase in unemployment was reflected in the number of construction workers seeking jobs through the National Employment Service during February. At the end of the month, the total number registered in offices all across Canada was 68,000. At the same date in 1949, the figure was 46,000.

Although the rate of increase as between skilled and unskilled has been about the same, the increase has been numerically greater among skilled workers since they constitute about 70 per cent of the labour force in the building trades. The increase in both groups over February, 1949 has been about 50 per cent, distributed among the occupations shown below:

<u>Occupation</u>	<u>February 1948</u>	<u>February 1949</u>	<u>Per Cent Increase</u>
Bricklayers and tile setters	1,167	1,827	56.6
Carpenters	19,669	29,108	48.0
Cement and concrete finishers	444	738	66.2
Painters	4,422	6,264	41.7
Plasterers	260	624	140.0
Plumbers and steamfitters	1,302	2,076	59.4
Others (skilled)	2,042	3,283	60.8
Unskilled	16,766	24,497	46.1
Total	46,072	68,417	48.5

LAY-OFFS IN MANUFACTURING INDUSTRIES

JANUARY 1, 1949 TO DATE.



CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

In the month of February, there were 5,418 non-seasonal lay-offs in the manufacturing industry. Large lay-offs from Chrysler Corporation of Canada Ltd. at Windsor at the end of the month boosted the monthly total over that of January; there were fewer lay-offs than in the past several months in most other industries.

The strike of Chrysler employees in Detroit commenced on January 25, 1950, and was still in progress during the first two weeks of March. By the end of February, a shortage of parts from the Detroit plant had forced the Chrysler Corporation of Canada Ltd. at Windsor to lay off 3,800 workers. Feeder plants were preparing to release some 1,600 workers early in March.

The only industry-wide lay-off during February took place in the flour milling industry. Flour milling companies are being affected by the loss of export markets, together with intense domestic competition. Production has been steadily reduced and, while the actual number of workers released from this industry in February was not large, all the milling centres reported a slow down.

In other industries, lay-offs were relatively light. Only 197 lay-offs occurred in the iron and steel industry in February, compared to well over a thousand in previous months. The transportation equipment industry, excluding automobile production, had 340 lay-offs in February. Of these, 200 were released from the Canadian Locomotive Co. Limited at Kingston, 100 from a Vancouver shipyard, and 40 from De Havilland Aircraft Co., Toronto. These were all because of shortage of orders.

The soft coal strike in the United States caused remarkably few lay-offs from Canadian manufacturing industry during the month. A furnace company at Ingersoll, Ontario, released 100 workers and, now that the strike is settled, it is unlikely any but short-term lay-offs will occur.

The several thousand British Columbia saw-mill workers idle because of extremely bad weather conditions in January were able to resume work in February. These lay-offs have not been included in the table, since they are designated as seasonal, but their effects on the employment situation in British Columbia were considerable.

Table I--Non-seasonal Lay-offs Reported by National Employment Service
Offices in Manufacturing Industries, by Cause

Cause of Lay-off	February, 1950 ⁽¹⁾		January, 1950		December, 1949	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of orders.....	1,203	22.2	2,702	61.5	4,397	53.7
Inventory and repairs..	-	-	-	-	681	8.3
Shortage of materials..	142	2.6	232	5.3	108	1.3
Industrial disputes....	3,900	72.0	-	-	-	-
Production changes.....	43	0.8	648	14.7	2,874	35.1
Out of business.....	30	0.6	-	-	114	1.4
Other.....	100	1.8	812	18.5	20	0.2
Total.....	5,418	100.0	4,394	100.0	8,194	100.0

(1) Preliminary figures

Table II--Non-seasonal Lay-offs Reported by National Employment Service
Offices in Manufacturing Industries, by Industry

Industry	February, 1950 ⁽¹⁾		January, 1950		December, 1949	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and beverages.....	391	7.2	319	7.3	126	1.5
Tobacco products.....	-	-	-	-	-	-
Rubber products.....	26	0.5	-	-	431	5.2
Leather products.....	70	1.3	160	3.6	319	3.9
Textile products.....	168	3.1	183	4.2	213	2.6
Clothing.....	101	1.9	285	6.5	408	5.0
Wood products.....	65	1.2	482	11.0	359	4.4
Paper products.....	-	-	-	-	16	0.2
Printing and publishing..	-	-	-	-	85	1.0
Iron and steel products..	197	3.6	1,356	30.9	1,223	14.9
Transportation equipment.	4,140	76.4	1,025	23.3	4,485	54.7
Non-ferrous metals.....	-	-	300	6.8	88	1.2
Electrical apparatus.....	40	0.7	133	3.0	161	2.0
Non-metallic mineral products.....	130	2.4	75	1.7	183	2.2
Chemical products.....	90	1.7	76	1.7	97	1.2
Miscellaneous.....	-	-	-	-	-	-
Total.....	5,418	100.0	4,394	100.0	8,194	100.0

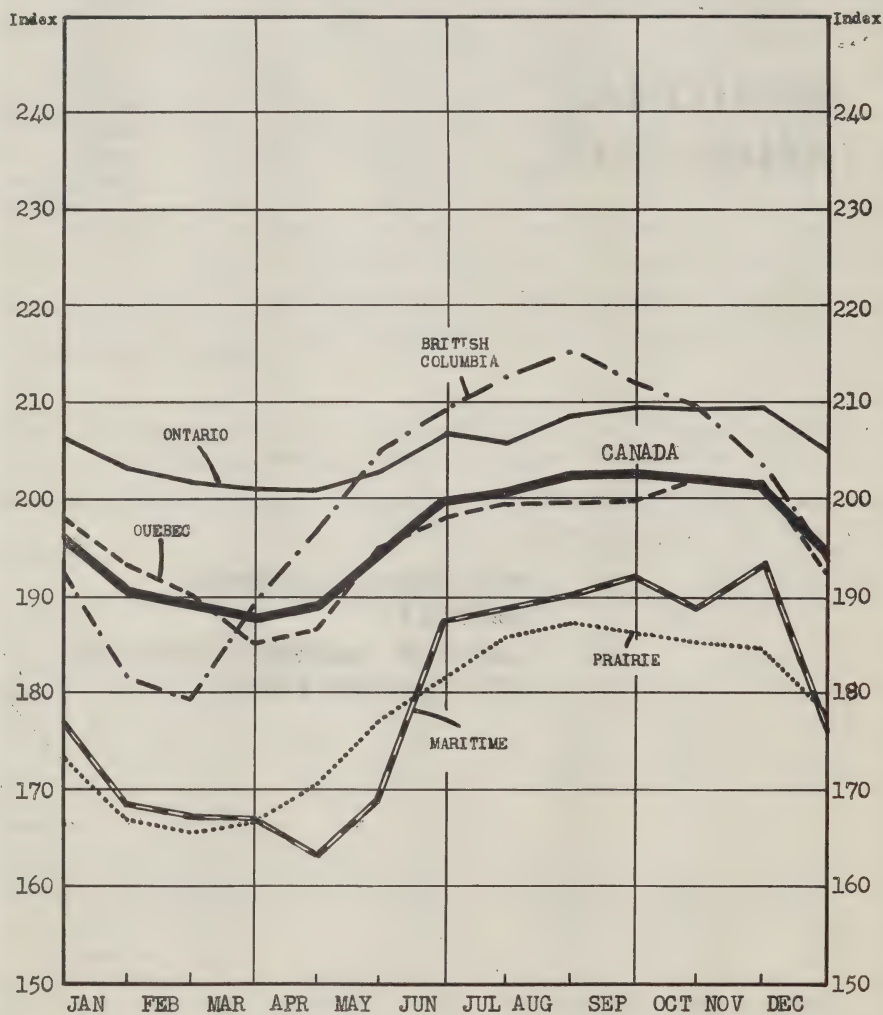
(1) Preliminary figures

REGIONAL ANALYSIS.....

- ▲ REGIONAL LABOUR
MARKET
- ▲ LABOUR MARKET RATING
OF COMMUNITIES

EMPLOYMENT TRENDS, 1949

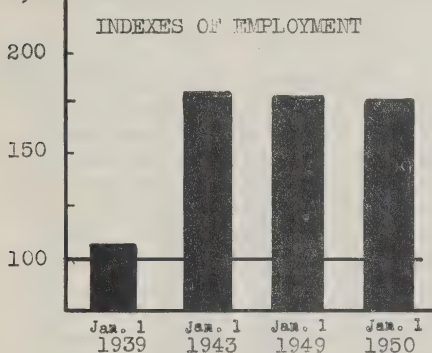
(CANADA and REGIONS)



REGIONAL LABOUR MARKET

ATLANTIC

1926 = 100



Although general employment levels have been sustained at last year's level, this region is the only one where the number of persons seeking jobs through National Employment Service offices had shown no decline prior to the implementation of supplementary benefits. Nearly all of the continued increase, however, is due to conditions in Newfoundland--in other areas, stability or slight improvement is evident. Once the river drive is under way and construction starts on a large scale, the unemployed in most areas are expected to be rapidly absorbed.

In Newfoundland, weather conditions are forcing further curtailment of out-door activity; loss of overseas markets has caused layoffs in iron mining affecting 1,000 men, and secondary industries have been forced to reduce or cease operations because of competition from the mainland. The provincial work program, employing 7,000 men at the end of February, will end by mid-March. No improvement is expected until navigation opens in the spring.

Lumbering activity has increased sharply in recent weeks as snow enabled woods operations to proceed more effectively. Contrary to expectations, this season's cut may now equal last year's since farmers and sub-contractors have been cutting more than was scheduled; sawmill employment should therefore be sustained this summer at a normal level. Thus in the St. Stephen, Moncton and Minto areas, improvement should be steady, although no marked recovery will occur until April. At Campbellton, Bathurst and Edmundston operations are nearly ended and unemployment is heavy.

The coal mining industry in all areas--from Sydney, Glace Bay, and New Glasgow, N. S. to Minto, N.B.--is working at capacity and production in some areas has even surpassed wartime records. The increase in demand is due chiefly to the prolonged coal strike in the United States, and the high level of employment should continue for several weeks in spite of the recent settlement.

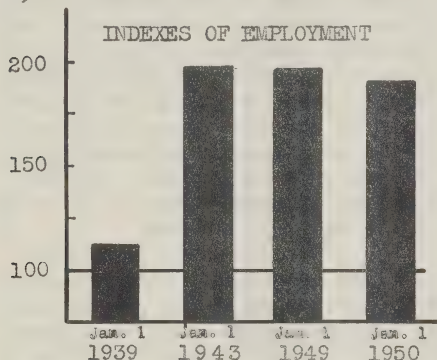
Port employment at Halifax improved during the month, but shipments have slackened again; at Saint John, there has been little employment for longshoremen. A record construction season is expected in both

areas, but full-scale activity does not normally commence until after May.

Since the early seasonal upswing is not rapid in this region, the supplementary benefits will help many unemployed in Atlantic areas. Heavy claims are anticipated, especially in the rural logging areas of New Brunswick.

QUEBEC

1926 = 100



Employment has risen slightly in the past month. Several manufacturing industries have resumed production following the winter slack period, and heavy snowfalls have enabled the resumption of normal winter employment in log hauling, winter resort activity, and civic snow removal. The employment level has been slightly below that of last year, however, because of the reduction in logging schedules this winter, and the re-adjustment of manufacturing to declining markets.

Unemployment now has passed its peak in this region, and should decline rapidly when seasonal expansion gets under way in April. A heavy construction program is indicated, and substantial mining development and exploration work will be carried out.

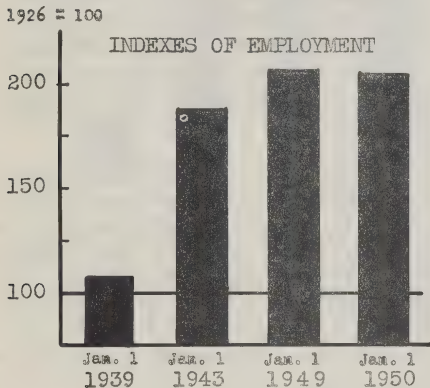
Among manufacturing industries, seasonal expansion in clothing production has been evident, especially in the Montreal, Quebec and Levis areas, although some firms are finding orders more difficult to obtain than usual. The leather industry has also shown some improvement, and furniture production is being maintained at a high level. Heavy manufacturing industries were operating steadily; the settlement of the United States coal strike came just in time to prevent stockpiles from running out. The downtrend in the aluminum industry has halted, and employment remained stable at its lower level in the Chicoutimi-Jonquiere district.

Hauling is under way in logging areas as a result of the recent snowfalls, and employment conditions improved in the Rimouski, Shawinigan Falls, Trois Rivières, Sherbrooke and Gaspé areas as a result. Most sawmills have started operations as logs became available.

Laurentian winter resorts have been booked to capacity since the snow arrived, improving conditions for the service and trade industries of Montreal and Quebec as well.

The recent amendments of the Unemployment Insurance Act will greatly benefit logging areas, where operations have been below normal and unemployment heavy, and areas where industrial lay-offs have been prolonged, such as Quebec City and Chicoutimi. The benefits will serve to relieve the financial strain on workers in such areas, until seasonal expansion advances sufficiently to absorb the unemployed.

ONTARIO



Unemployment has passed its peak in the Ontario region and employment conditions are beginning to improve as hirings by manufacturing firms began to increase. The fluctuation in employment in Ontario has been wider this winter than in the past few years, since manufacturing, the dominant industry, has been forced to adjust to more competitive market conditions, and there were heavy seasonal lay-offs in many instances. As a result the level of winter employment in Ontario has been slightly below that of last year.

The automobile industry was operating at capacity despite the strike of Chrysler employees in progress in the United States. Towards the end of February, however, shortages of parts forced a major lay-off in the Windsor plant of the Chrysler Corporation, which involved 3,500 men. Cut-backs in supplying firms affected employment of another 1,500 workers. At Oshawa, however, capacity operations are continuing. In Toronto, a new automobile assembly plant has reached the production stage and will open shortly.

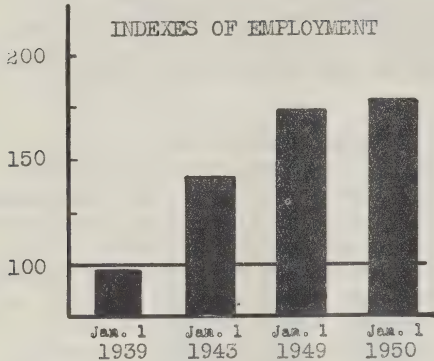
Other heavy manufacturing industries are increasing production and re-hiring workers. The agricultural implements industry reports expansion in Toronto and Brantford. Shipbuilding firms in Kingston, Collingwood and Midland are increasing staffs, to handle repair work on lake boats for the spring sailing.

The clothing industry shows renewed activity and re-hiring has been brisk. Construction employment is still stable, but activity is expected to increase rapidly in the next month. Mining employment has not yet started its seasonal upswing, but prospects are excellent for an unusually active season.

Although the price structure shows no sign of weakening, trade is shifting from a sellers' to a buyers' market, and the greater competitive element is currently reflected in the labour market.

PRAIRIE

1926 = 100



Employment in the Prairie region has shown the greatest gain of all regions over the level of last year. The rural electrification program with the increased demand for electrical consumer equipment arising out of it, as well as its direct effect on producers' goods industries, has stimulated manufacturing employment; oil exploration projects in the West have had a widespread and buoyant influence on the economy, along with the high level of farm income.

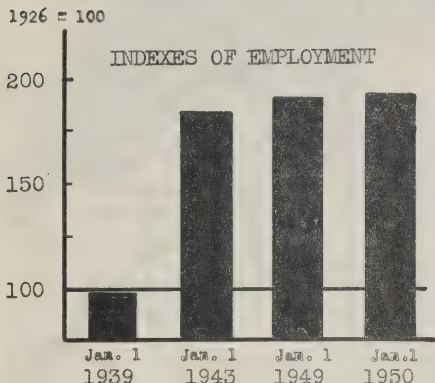
Currently, the seasonal peak in unemployment has passed but the upswing in regional employment has yet to gain momentum. All indications point to another record year in construction, mining and oil development. Farm revenues from 1949 crops will show a slight decline as compared with 1948, and the result may be reduced purchases of machinery and other goods and services. It is unlikely that farm labour demand will be adversely affected, however, since plans for field crops are approximately equal to those of 1949.

Orders for farm labour have followed the usual seasonal pattern--a few jobs for choremen, and deferred orders for mid-March. A sharp rise in demand for general farm workers is expected by the latter part of March, and orders for skilled workers to handle mechanized equipment will probably start early in April.

Meatpacking plants have been releasing workers throughout the region, as the seasonal slump in livestock deliveries prevailed. Flour mills are maintaining production, but at a level well below capacity. Paper mills continue in full production. The lumber industry in the eastern section of the region is preparing for a busy season; orders are accumulating and market conditions are healthy.

In the Lakehead area, woods operations are almost over as hauling nears completion. In the Fort Frances area, cutting will continue later than originally expected.

PACIFIC



The abnormally heavy unemployment in this region has dropped sharply with the improvement in weather conditions. Heavy rains in coastal areas have melted the deep snows and ice which had disrupted logging, sawmill and construction employment, and several thousand workers now have returned to work. The employment level throughout the winter has shown a slight gain over last year, when similar severe conditions prevailed, and this gain should be maintained since the market outlook for most industries is bright.

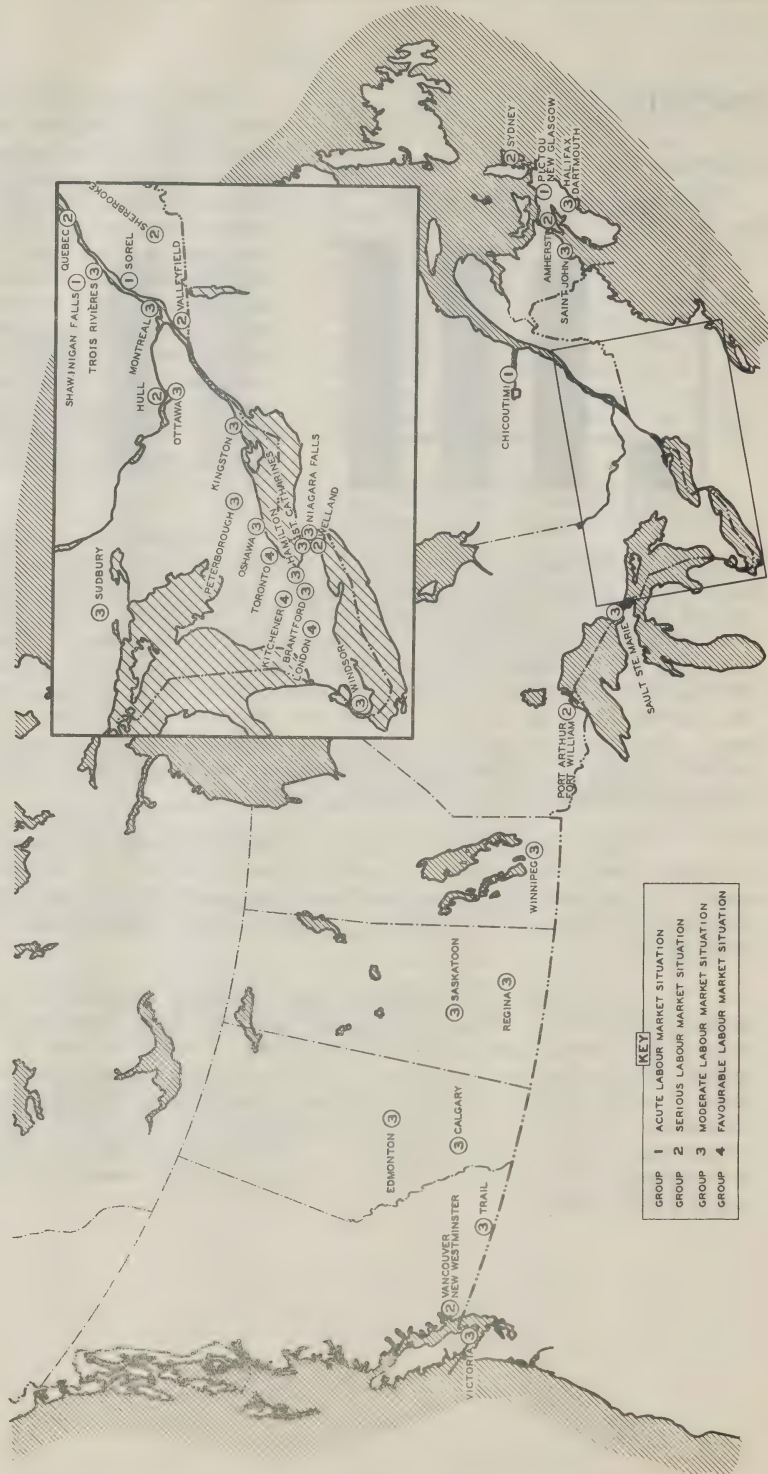
The milder weather first brought improvement to the sawmill and shingle industries--nearly all mills from Vancouver, New Westminster, Nanaimo, and Port Alberni to Prince George and Prince Rupert have now re-opened, although some are not yet operating at capacity because of log shortages. The lumber industry will probably continue at capacity production during the rest of the year as there is a strong possibility of a \$12 million order from the United Kingdom in addition to the current \$5 million order now being met. Confirmation of this order and continuance of exports to the United States will keep even the smaller mills in full operation and will sustain employment in the logging industry.

The re-opening of logging camps has been progressing steadily, but only low-level camps in coastal areas are in full operation. In some areas in the interior, deep snow and bad road conditions have held up activity. By the end of March, however, most camps should be in full production.

Construction employment has improved markedly as work resumes on many projects. In addition, new projects have started at various points and these have created more jobs. A heavy volume of work is scheduled for the coming season, and provincial expenditures will be large. Work on the P. G. E. Railway extension to Prince George will continue, the school building program will be extensive, and roads, bridge and other public works will involve heavy capital expenditure. At Vancouver, three large housing projects will start shortly, to build 535 houses.

CANADIAN LABOUR MARKET AREAS

MARCH 1, 1950



LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I--Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for February and March of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group

6

Area	Ratio Mar. 1 1950	Group Rating		
		Mar. 1 1950	Feb. 1 1950	Mar. 1 1949
<u>Population of 100,000 and over</u>				
Quebec.....	17	II	II	III
Vancouver.....	15	II	II	III
Winnipeg.....	10	III	III	III
Calgary.....	9	III	III	III
Windsor.....	8	III	III	III
Hamilton.....	8	III	III	IV
Montreal.....	7	III	III	IV
Ottawa.....	7	III	III	III
Victoria.....	6	III	III	III
Edmonton.....	6	III	III	III
Toronto.....	4	IV	III	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	22	II	II	II
Fort William-Port Arthur.....	17	II	II	III
Saint John.....	11	III	III	III
Halifax.....	11	III	III	III
Regina.....	8	III	III	III
London.....	4	IV	III	IV
Kitchener-Waterloo.....	3	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	33	I	I	I
Shawinigan Falls.....	26	I	I	II
Hull.....	24	II	II	II
Sherbrooke.....	17	II	II	III
Three Rivers.....	13	III	III	III
Brantford.....	10	III	III	III
Oshawa.....	7	III	III	III
St. Catharines.....	7	III	III	III
Kingston.....	7	III	III	III
Peterborough.....	6	III	III	III
Saskatoon.....	6	III	III	III
Sault Ste. Marie.....	6	III	III	IV
Sudbury.....	5	III	III	IV
<u>Population of under 25,000</u>				
Pictou-New Glasgow.....	30	I	I	II
Sorel.....	25	I	I	I
Amherst.....	22	II	II	III
Valleyfield.....	21	II	II	II
Welland.....	19	II	II	III
Niagara Falls.....	7	III	III	III
Trail.....	7	III	III	IV

CANADIAN LABOUR MARKET

DEPARTMENT OF LABOUR
ECONOMICS AND RESEARCH BRANCH

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April 1950
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FEATURE ARTICLE Government
Publications

BAROMETRICS FILE " W

Employment Effects of
Industrial Expansion
in the Manufacturing
Industries in 1949.

Volume 7

Number 4

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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

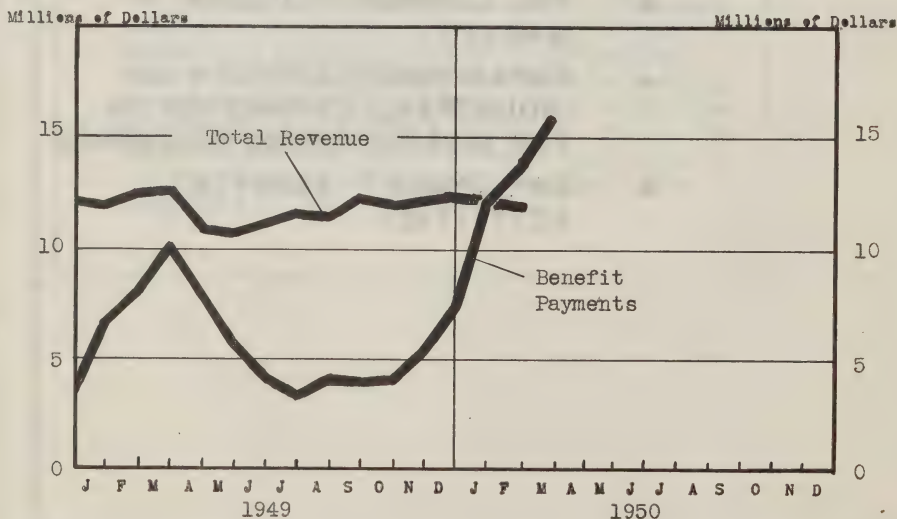
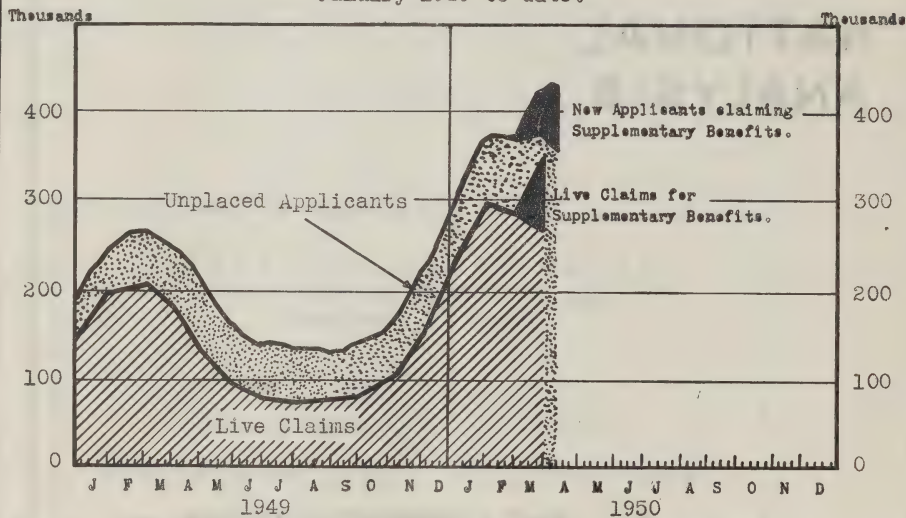
The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS.....

- ▲ **THE CURRENT LABOUR
MARKET**
- ▲ **EMPLOYMENT EFFECTS OF
INDUSTRIAL EXPANSION IN
THE MANUFACTURING INDUSTRIES**
- ▲ **EMPLOYMENT SERVICE
ACTIVITIES**

UNEMPLOYMENT INSURANCE OPERATIONS

January 1949 to date.



THE CURRENT LABOUR MARKET

The month of March was a transition period between the winter slack season and the rapid spring increase in employment. With the exception of the logging industry, most of the heavy seasonal lay-offs are ended. At the same time, spring hiring is not yet under way on a large scale in construction, agriculture and transportation, although advance preparations in these industries have created some job openings. Although expansion has been slower than usual this spring, employment prospects for April are excellent, especially in the construction industry.

The new supplementary benefit program continued to provide assistance to many of those out of work who had either exhausted their benefits or who had not been previously covered by unemployment insurance. At the beginning of April, 56,500 persons were applying for supplementary benefits who had not been registered with National Employment Service before the program began on February 28. Well over 80 per cent of the applications came from Quebec and the Maritime provinces, and by far the largest proportion of those applying were casual workers or loggers.

Excluding new registrations in order to claim supplementary benefits, applicants at employment offices declined slightly during March to a level of 371,700 at March 30. In the last two weeks of March, the employment situation in most of the country improved more rapidly than in the first half of the month. In British Columbia, particularly, there has been a steady and substantial decline in the number of job-seekers. In the Prairie region, the slight decline is expected to be accentuated in April when agricultural hiring becomes extensive. In Ontario, the seasonal increase in employment in many manufacturing industries was under way, although at a somewhat slower pace than is usual at this time of year. In both the Maritimes and Quebec, the completion of hauling has meant an increase in job-seekers, many of whom will be absorbed as activity increases in construction and transportation.

Non-seasonal lay-offs reported during March in the manufacturing industry throughout Canada were fewer than at any time during the winter months. The lay-off from the Chrysler plant in Windsor which involved over 3,000 workers was continuing, however, and feeder plants were also cutting production. A shortage of orders continues as the most serious and most consistent reason for current lay-offs. Many of these were in transportation equipment manufacturing. There were also some part-time lay-offs in iron and steel and textile manufacturing. On the other hand, some 2,172 new jobs resulted from industrial expansion in the first quarter of 1950. The high volume of investment in industrial projects is an indication of the continuing buoyancy of the Canadian economy.

CURRENT LABOUR MARKET STATISTICS

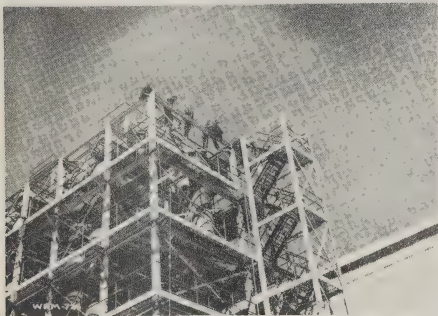
Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date This Year From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S. (a) ..	Mar.30	428,216	-	-	-
Per cent of labour force	Mar.30	8.4	7.4A	5.0A	-
Per cent of paid workers	Mar.30	12.0	10.5A	7.5A	-
Ordinary live claimants	Mar.31	265,382	- 7.3	‡42.8	‡43.3
Per cent of insured population ..	Mar.31	10.4	11.2A	8.5A	-
Per cent of unplaced applicants ..	Mar.31	62.0	76.1A	84.7A	-
Live claimants for supplementary benefits	Mar.30	83,450	-	-	-
Amount of benefit payments	Mar.	\$ 15,779,000	‡16.0	‡52.3	‡63.0
Index of Employment (June 1, 1941 = 100)	Feb. 1	122.7	- 3.4	- 2.1	- 1.6
(Eight leading industries)					
Immigration	Feb.	4,959	‡33.7	-25.4	-38.5
<u>Earnings and Income</u>					
Total labour income	Jan.	\$ 620,000,000	- 3.4	‡ 2.1	-
Average weekly salaries & wages ..	Feb. 1	\$ 43.90	‡ 3.6	‡ 2.3	‡ 2.9
(Eight leading industries)					
Average hourly wages (mfg)	Feb. 1	\$ 1.009	- 0.3	‡ 3.8	‡ 4.0
Average hours per week (mfg)	Feb. 1	42.3	- 0.7	- 1.4	- 1.4
Average weekly wages (mfg)	Feb. 1	\$ 42.68	- 1.0	‡ 2.4	‡ 2.5
Cost of living index (Av. 1935 - 39 = 100)	Mar. 1	163.7	‡ 1.3	‡ 2.8	‡ 1.7
Real weekly wages (Mfg. Av. 1946 = 100)	Feb. 1	108.0	- 1.4	‡ 0.9	‡ 1.4
<u>Industrial Production (b)</u>					
Total (Av. 1935-39 = 100)	Feb.	186.4	‡ 1.9	‡ 3.6	‡ 3.0
Manufacturing	Feb.	194.1	‡ 0.4	‡ 1.8	‡ 2.2
Non-durables	Feb.	177.9	‡ 1.8	‡ 1.5	‡ 1.1
Durables	Feb.	222.1	- 1.6	‡ 2.5	‡ 4.0
<u>Industrial Relations</u>					
Strikes and lockouts-days lost ...	Mar.	25,168	- 2.6	-81.5	-58.1

(a) This figure includes persons not registered with N.E.S. on February 28, and now applying for supplementary benefits, as follows: Canada, 56,500; Atlantic, 10,800; Quebec, 37,000; Ontario, 3,500; Prairies, 3,200; Pacific, 2,000.

(b) All figures for industrial production are preliminary.

* These figures are the respective percentages for the previous month and for the same month last year.

EMPLOYMENT EFFECTS OF INDUSTRIAL EXPANSION IN THE MANUFACTURING INDUSTRIES IN 1949



While there was an increase in the number of persons unemployed during 1949, at the same time a large number of new jobs were created through the construction of new factories and extension of productive facilities. Among the buoyant factors in the economy during 1949 were the heavy construction program, strong domestic demand, and a good export market for many Canadian products. These factors maintained a high volume of demand for manufactured goods of many types, with a resultant

expansion of productive facilities in certain industries to meet this demand.

During 1949, 197 new plants requiring additional workers were reported as coming into production. The number of new jobs opened up was approximately 8,000, a decline of nearly 50 per cent from the 1948 total.⁽¹⁾

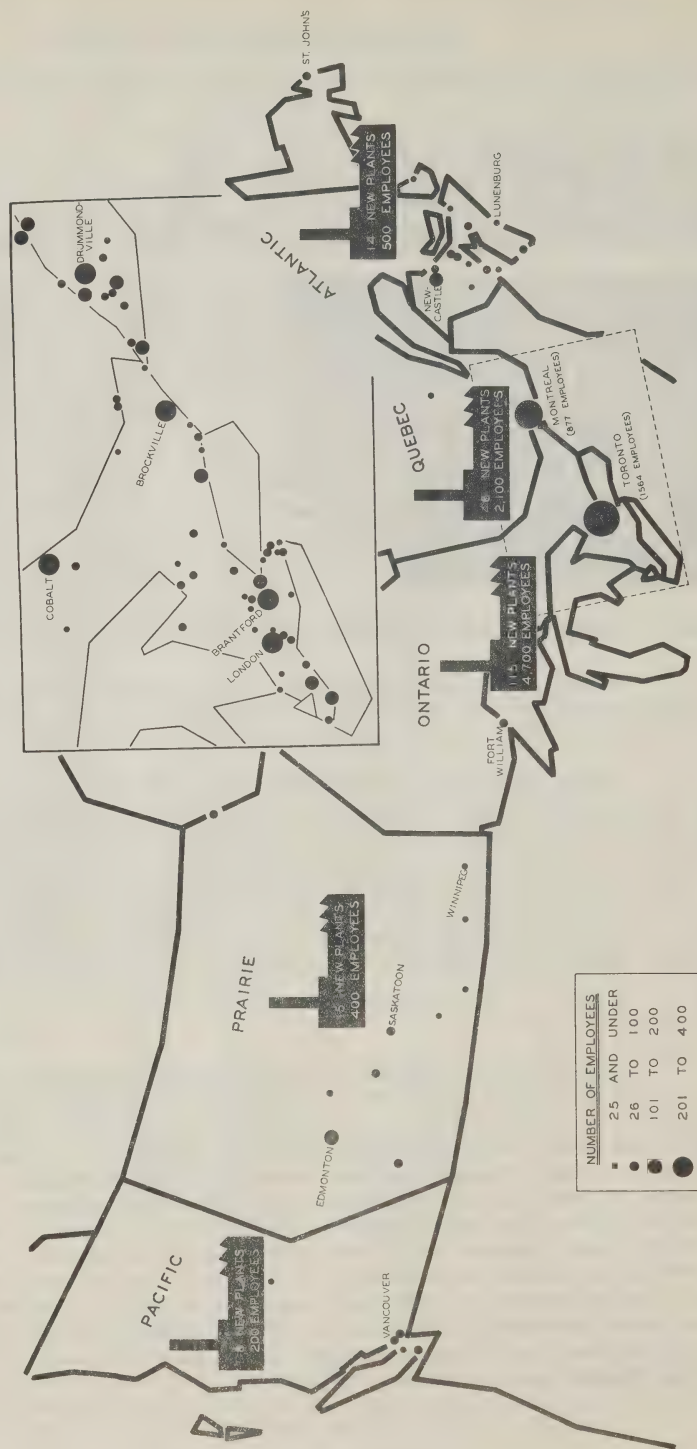
The value of capital investment in the manufacturing industries, however, did not show a decline corresponding to that of employment. Preliminary estimates place investment in durable physical assets in manufacturing at somewhat less than \$500,000,000. This was a drop of only 10 per cent from 1948. In regard to industrial construction, that segment of the total value of capital investment which this report is most concerned with, a considerable increase was shown. The value of industrial contracts awarded in 1949 was \$103,000,000, an increase of 38 per cent over 1948.

⁽¹⁾ This estimate is based on a mail survey conducted by the Department of Labour during 1949. All firms reported as expanding manufacturing facilities were contacted and asked to estimate the number of new workers that would be required, if any, and the date at which production would begin. On the basis of data received in this manner, estimates were made of regional and industrial increases in employment due to industrial expansion. This survey was first instituted in 1948.

These data include only those plants whose expansion projects resulted in increased employment. Of the 400 plants contacted in the survey, 116 affirmed the reported expansion but stated no additional workers were necessary. Thirty-four of the total postponed their plans and six had abandoned them entirely. In eight cases, the information received proved to be incorrect.

EMPLOYMENT INCREASE FROM INDUSTRIAL EXPANSION, 1949

IN MANUFACTURING INDUSTRIES



It appears that there were four main factors behind this seemingly disproportionate decline in new manufacturing employment, as compared to changes in value of capital investment. These were: 1) a larger carryover of construction from the 1947 season to 1948 2) several large expansion projects in the petroleum and mining industries, in which capital investment costs per employee are exceptionally high 3) the tendency towards expansion for the purpose of increasing efficiency, which sometimes entailed a reduction in manpower requirements and 4) a tightening in hiring procedures.

These tendencies, together with a general slowing up in the pace of industrial expansion, are reflected in a drop in the average number of new jobs per project. The average number per plant declined from 122 in 1948 to 24 in 1949, although the number of instances of industrial expansion remained the same.

Strong expansionary tendencies were still apparent in several industries, in spite of more competitive business conditions during 1949. The petroleum industry was particularly active in the field of industrial expansion, with new refineries under construction in British Columbia, in Quebec and, in particular, in the Prairie provinces. The non-ferrous metal products, wood products and the printing and publishing industries all showed substantial increases in new employment created through industrial expansion.

Special mention should be made of the construction program being carried out by several provinces to expand hydro electric power production to meet the increased residential and industrial demand. Investment in public utility projects during 1949 was estimated at \$650,000,000, with the construction of new hydro plants forming a large segment of the total. Public utilities employment, while small in relation to capital investment, continues to expand. Present employment of 46,000 is about twice the pre-war figure.

On the other hand, several industries showed indications that their postwar expansion programs were fairly well completed. Pulp and paper, textiles, transportation equipment, electrical apparatus, rubber, leather and tobacco products all showed a tapering off in terms of employment expansion.

REGIONAL SUMMARY

Atlantic Region: Fourteen new plants were reported as opening up in the Maritime provinces and Newfoundland, with a prospective employment total of over 500 jobs. This was about the same number as in 1948 and relatively the same rate of expansion as in the more industrialized central provinces. It was not sufficient, however, to offset the downward trend in manufacturing employment in this region, which declined by some 1,500 to 46,000.

The increase in productive capacity was centered chiefly in the secondary forestry and food products industries. Fraser Companies Ltd. began production in their new pulp and paper plant at Newcastle, New Brunswick and some 200 workers were required. Other new plants were much smaller, including six wood products firms and four in the food products group of the total of fourteen.

Quebec: As in previous postwar years, the bulk of the industrial expansion projects in manufacturing were concentrated in the two central provinces, Ontario and Quebec. Of the total of 197 new plants, 161 were in these two provinces.

Industrial expansion in Quebec showed a marked decline from the previous year. The 46 cases of new plants, with increased employment of 2,100, represented a decline of 70 per cent from the year 1948.

A significant change in the pattern of 1949 investment in Quebec was the drop in the number of large plants, employing up to 500 workers, which had been a feature of previous expansion in the postwar years. While in 1948 there were 16 plants which took on more than 100 workers, 1949 showed only five cases of projects in this category.

The Canadian Celanese Ltd. expanded its operations at both Sorel and Drummondville, with a potential capacity of about 150 more workers in each case. Weston Bakeries Ltd. came into production with a new plant at Longueuil which will employ upwards of 200 workers. In Montreal, British American Oil Ltd. increased refinery productive facilities with a possible 150 new employees and a new woods products plant at Quebec City expected to take on about 150.

Ontario: Investment in new plant facilities in Ontario during the past year indicated increasing diversification in an already well-established manufacturing industry. It was reported that 115 new plants and plant extensions were completed in 1949, with 4,700 new jobs thus created.

Most of the new plants were in the industrial triangle in the south-west of the province such as the Stokely-Van Camp of Canada Ltd. food plant at Wheatley, Ontario which will employ 200 workers in the canning season; two new television firms, Pye Ltd. at Ajax, Ontario and Transvision Television at Hamilton, each to employ 100. In the north of the province, the New Cross Chemical Co. of Croydon, England, in conjunction with the Silanco Mining and Refining Co. opened a plant at Cobalt, Ontario to make use of certain derivatives of cobalt which were formerly waste materials. Employment in the new plant will be from 150 to 250.

Prairies: The tremendous growth of the petroleum industry sparked industrial expansion in the Prairie provinces in 1949. Nearly all oil refineries in the area increased production during the year;

two new plants opened with an employment increase estimated at 70 persons.

It is expected that five new oil refineries will be started in the west during 1950, three of which will entail large-scale investment. McColl-Frontenac Oil Co. and the British American Oil Co. plan new refineries at Edmonton and the Imperial Oil Co. plans a refinery at Winnipeg. The costs of capital investment in the industry are very high, however, and the number of employees required to operate a refinery is quite small. The effects of this expansion on employment directly will therefore, not be impressive. The growth of this basic industry, however, provides a stimulus to expansion throughout the economy generally, and to supplier industries in particular.

British Columbia: Industrial expansion going on in British Columbia during 1949 was centred around the forestry industries, the area's main industry. Although no new pulp and paper plants opened up during the year, two major projects are in the course of construction. The H. R. MacMillan Export Co. Ltd. plant on Vancouver Island is expected to commence operations in 1950 with a staff of 200. The Columbia Cellulose Co. plant at Prince Rupert will also take another year or more to complete and will employ 350 workers.

Plans for the establishment of an aluminum industry in the province are now becoming finalized. If present plans are carried out, it will mean a new town site and employment for several thousand persons in a few years time.

Aside from these large projects, there were few instances of industrial expansion on the west coast last year. A total of 8 plants with expanded employment of over 200 was reported. Four of these were in wood products industries, one electrical apparatus, and two in iron and steel products, one petroleum products.

EXPANSION BY INDUSTRY

Food and beverages: The extreme seasonality of employment which is characteristic of employment in some sections of this industry makes it rather difficult to compare the effects of industrial expansion here with that in other industries where the new employment created is generally on a year-round basis.

Most of the 20 plants opening in 1949, which expected to employ 800 persons, manufacture products for which either the demand or supply fluctuates considerably during the year. For example, the total of 20 plants included 7 beverage manufacturers, 3 fish packing and 2 food canning firms, all of which are subject to considerable seasonality in their operations. It was mentioned above that Stokely-Van Camp will

employ 200 workers at Wheatley, Ontario, but this will be only for a 2 to 3 month period. This plant and the new Weston Bakeries factory near Montreal will employ approximately 50 per cent of the new workers in this group.

Iron and steel: The iron and steel industry, the largest subdivision of manufacturing, provided the most instances of industrial expansion during 1949. The total number of new plants was 40, with additional employment for 1,500 workers. This gain was not sufficient to halt an overall contraction in employment, which declined by about 5 per cent to around 285,000.

Canadian steel industry was producing at capacity during 1949, with estimated production of 3,200,000 tons representing little change from 1948 levels. However, none of three companies that constitute the basic industry increased employment as a result of new plant facilities and reductions in employment took place in two other firms producing special steels. Only one new establishment was opened up in the primary steel industry, the Canadian Tube and Steel Products in Montreal, which employs 35 persons.

The forty new plants and plant additions engaged in the secondary and fabricating processes produce a wide variety of products, ranging from furnaces and fruit graders to razor blades and corset eyes and hooks. Twenty-seven of the total, however, are primarily engaged in the production of producers' goods, a significant fact in view of the decline in demand which occurred for certain sections of this group last year.

Three of the new firms indicated employment increases of a fairly large order. General Steel Wares Ltd. added 100 employees to their London plant; Standard Sanitary and Dominion Radiator in Toronto and Sparling-Davis Ltd., a British oil equipment manufacturer in Edmonton, both added 100 to their labour force.

Chemicals: The growth of the chemical industry in Canada has paralleled that of industry as a whole, as new factories have been built to meet the increasing demands of industry for chemicals of all types. The steady development of the industry in the period between the two wars was accelerated by the huge demands for military purposes and although production now is below the wartime peak, the industry is making use of many of the plants that were built during the war. In addition, many other new factories have been built since 1945. As a result, the industry now provides 70 per cent of domestic requirements, and has built up an export market which totalled about \$70,000,000 in 1949.

Last year, an additional 18 chemical manufacturing plants and plant extensions were opened up, with potential manpower requirements

of over 500 workers. These plants were all located in Ontario and Quebec, where most of the industry already is concentrated. The construction of new production facilities was not common to all parts of the industry, as a drop in sales was experienced last year by certain sections, among them those producing for chemical pulp and textile manufacturers. The eighteen new plants represent a very diverse group of products including, in addition to industrial chemicals, such products as soaps and cosmetics, plastics, commercial alcohols and paints and varnishes.

Electrical apparatus: The outlook for the electrical apparatus industry is very good, as the use of home appliances becomes more widespread, the electronic and television industries develop, and requirements of heavy electrical equipment for power stations remain strong. Sales of electrical apparatus were five times their 1939 level in 1949, at \$460,000,000, an increase of 8 per cent over 1948.

In association with this heavy demand for electrical products, the employment capacity of the industry was augmented during 1949 by the completion of 13 plants with an employment potential of close to 600 jobs. This increase was a factor in maintaining the employment level in the industry at over the 50,000 mark.

Two large new firms manufacturing television equipment provided nearly 40 per cent of the new jobs. These were Pye Ltd. at Ajax, Ontario and Transvision Television at Hamilton. Demand was strong for radios and refrigerators but no major construction projects were going on in this group. By region, ten of the new plants were in Ontario, two in Quebec, and one in British Columbia.

Textiles: Demand for textiles remained generally good during 1949, despite the adverse effect of such factors as currency devaluations, consumer resistance, and high labour costs relative to those of competing countries. Expansion, although not as extensive as in 1948, reflected this strong position of the industry. In the primary group, ten new plants were completed with employment for 650 persons, and in the clothing industry, the same number of plants had slightly fewer labour requirements, possibly 600. In addition, three new carpet factories, adding 100 employees in total, are included in this group.

Canadian Celanese Ltd. brought two new plants into production, one at Sorel and the other at Drummondville, each of which will employ about 175 workers. Orient Hosiery Ltd. report they will take on a staff of 350 in their new Brockville plant. As in most other industries, most of the cases of plant expansion in this group were in Ontario and Quebec.

Non-ferrous metal products: Canada is now the world's largest exporter of non-ferrous metals, with 75 per cent of the total production going into foreign markets. Although these exports increased in value

in 1949 from \$396,000,000 in the previous year \$427,000,000, industrial expansion was relatively small in terms of employment increases and was more than counterbalanced by heavy lay-offs, particularly in the aluminum industry. Increased employment as a result of industrial expansion is estimated at about 300, from 10 plants.

The industry divides itself into two main parts, smelting and refining, and the production of secondary products whose main components are non-ferrous metals. Four new refineries began operations last year, with staff increases of 150 persons. Two of these were in the precious metal group, one was in copper and the other a magnesium refinery.

In the secondary group, six new plants - jewellery, silver-smithing, kitchen equipment, magnesium alloys and electro-plating - took on 200 additional employees.

Non-metallic mineral products: Industrial expansion in this industry was chiefly among companies producing building materials needed for the current heavy construction program. Of the 14 new plants reported, half fall into this category. The remainder consist of two salt plants, two abrasive manufacturers, one cement factory, a button factory and an optical company.

These plants were more widely distributed regionally than in most industries. Seven were in Ontario, four in the Prairies, 2 in Quebec and one in the Maritimes. In Ontario, The Bausch and Lomb Optical Co. plant at Midland may employ 100 workers and the Canadian Durex Abrasives at Brantford estimated their labour requirements at 150. In the west, the Prairie Salt Co. a division of the Dominion Tar and Chemical Co. Ltd. got under way at Unity, Saskatchewan with a staff of 50. At Calgary, The Gypsum, Lime and Alabastine plant meant a new industry for that city with 100 new jobs.

Wood products: Despite the big cut in logging employment last year, industrial expansion in the secondary industry, wood products, was fairly active. Twenty new expansion projects were reported and about 800 new workers taken on as a result. Much of this demand was due to the need for lumber for construction jobs and the strong demand for furniture products.

Sixteen of the plants were in Eastern Canada and the other four in British Columbia. Those in the west were all engaged in the production of lumber, planing and sawmills, whereas most of those in the east were engaged in the manufacture of secondary products such as venetian blinds, auto parts, radio cabinets, furniture and similar products needed in the more diversified economy in the east and for household use.

Pulp and paper products: Only one new plant was reported in the primary section of this industry, i.e., the processing of the actual

logs. This was the Fraser Companies' plant at Newcastle, New Brunswick. Several other firms in this group, Abitibi Power and Paper, The Brown Corp., and Provincial Paper Co. were carrying out extensive modernization and improvement programs but did not add to their staffs.

With this one exception, all new plants reported were engaged in secondary processes, producing paper products from pulp supplied by the primary firms and were located in industrial areas rather than in the typical "paper" town. The nine plants expected that they would need about 350 workers, in which total Howard Smith Paper Mills at Windsor Mills, Quebec, accounted for 70 and the Hinde and Dauche corrugated paper products at Chatham, 100.

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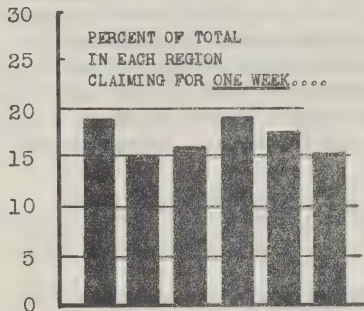
The most striking feature of industrial expansion during 1949, aside from the tendency towards continued concentration in the Southern Ontario and St. Lawrence Valley areas, was the decline in employment increase from the previous year. It was noticeable that the direction of capital expenditures in many instances was towards large and costly plants which require relatively few employees to operate. In the hydro-electric power industry, in the increasing mechanization in many pulp and paper plants, and in the extensive construction program in the oil refining industry, this was particularly apparent.

Although the survey suggests a running-out of capital investment based on war-created backlogs, it does not preclude the continuation of an investment program rather different in nature. The full effect of the development of such widespread natural resources as Alberta oil, Labrador iron ore and Quebec titanium, has not yet been felt. As well, a number of other large projects are either being planned or are already in the construction stage. On the basis of these projects now in preliminary stages and the longer term developments mentioned it is felt that expenditures on capital equipment will continue to be heavy in the immediate future and exert a buoyant effect on the economy as a whole.

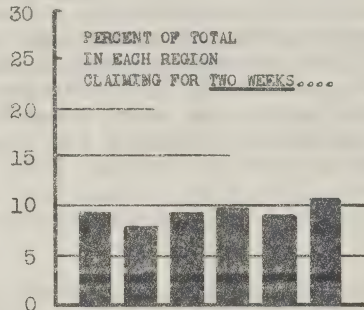
DURATION OF UNEMPLOYMENT INSURANCE CLAIMS

AS AT MARCH 1, 1950

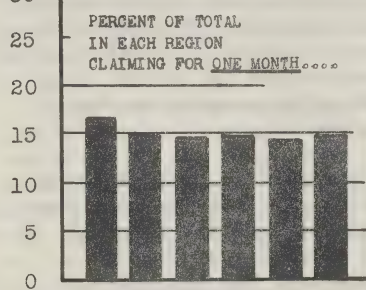
Per Cent



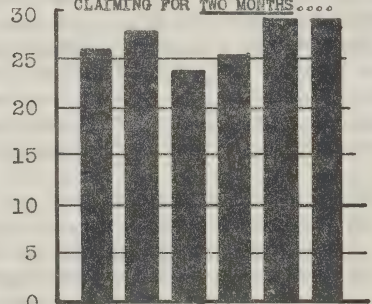
Per Cent



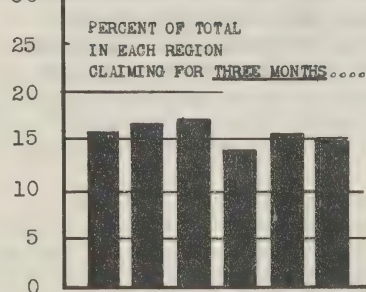
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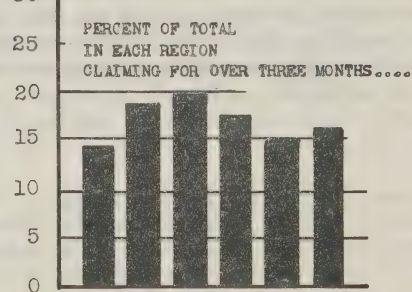
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Canada
Atlantic
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Canada
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EMPLOYMENT SERVICE ACTIVITIES

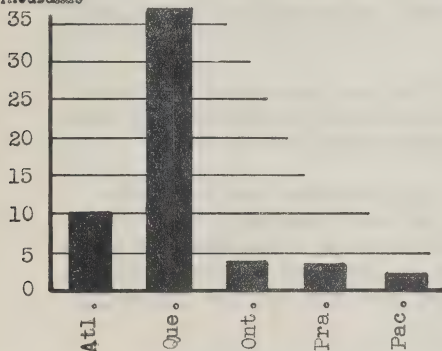
Persons Claiming Supplementary

Benefits on March 30

Who were not registered with N.E.S.

at February 28, 1950

Thousands



The first month of operation of the supplementary benefit program has brought to light some interesting aspects of unemployment this winter. First is the fact that some 56,500 persons applied for these additional benefits who had not been registered for employment at the beginning of the month. Some of these had registered earlier in the year, others had not registered at all since they became unemployed.

About 85 per cent of the 56,500 "new" registrations came from persons in the Atlantic and Quebec regions: Quebec alone accounted for 65 per cent of the registrants. Many of those

applying for benefits were living in rural areas. The major cities throughout Canada have reported very small registrations proportionate to their size; Montreal showed the highest total, with 2,700 reported at March 30.

It is evident that the majority of workers seeking benefits under the scheme are persons who work some part of each year in the logging industry. Some are farmers who supplement their income during the winter by working a few months in the woods. They may not seek this work regularly but will take advantage of the offer of work when available and if at a reasonably high wage. Some of those registering are doing sub-contract work on their own farms, and selling the logs to pulp and paper companies. To this class of worker, winter unemployment does not present the same problem as it does to the usual paid worker. Large numbers of paid workers, however, are also found in the logging industry. These, for the most part, are transient workers who work in agriculture, fishing, or construction in the summer and the provision of supplementary benefits up to April 15 will assist them greatly until they return to their usual summer employment.

Apart from workers in the logging industry, it is probable that the supplementary program is of most assistance to workers who have been unemployed for a considerable length of time. For many workers, the period of unemployment has been longer than usual this winter. At the beginning of March, 55 per cent of all persons claiming unemployment

insurance had been registering for more than a month with 30 per cent on file for more than two months. Thus, under the provisions of the supplementary benefits program, many persons who had exhausted their benefit rights are now being assisted. For example, in the Prairie region, where logging is not a major industry, a preliminary tally of those applying for supplementary benefits in March showed that 75 per cent were claiming because of exhausted benefit rights.

Some of the people with exhausted rights had retired from employment or were married and had left the labour market in the last year. The latter category was small, however, as fewer than 3,500 women in total had claimed, apart from those already registered at the local offices, at the end of March.

Claimants for supplementary benefits are registered in almost all occupations although, aside from the loggers, which far exceeds other groups, registrations are largely among casual unskilled workers.

Because of the applications for supplementary benefits, the number of persons registered at employment offices reached a total of 428,000 at March 30. Apart from the persons claiming supplementary benefits who were not registered for employment at February 28, the number unplaced would total 371,500, or about 1,200 less than at the beginning of March.

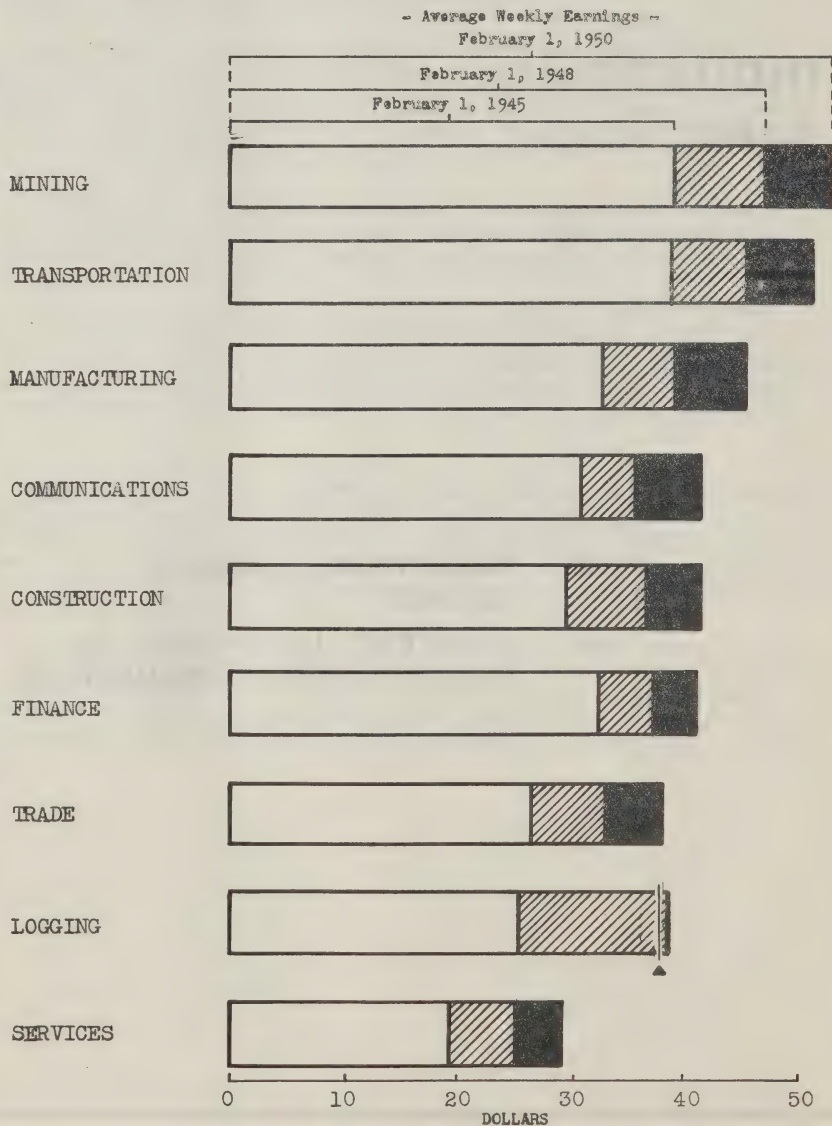
Employers have been increasing their orders for help steadily during March and, as a result, more workers were being placed by the Employment Service each week. Apart from this pick-up, which was mostly for skilled help, lay-offs in logging in the provincial works program in Newfoundland and in the Chrysler plant in Windsor meant only a small net improvement during the month.

Generally, however, local employment officers were optimistic about the spring employment situation. By the time the supplementary benefit program concludes on April 15, fairly large numbers of jobs are expected to open up in construction and agriculture, as well as in other industries.

INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR
MARKET
- ▲ CURRENT LAY - OFFS IN
MANUFACTURING INDUSTRIES

TRENDS IN INDUSTRIAL EARNINGS 1945 - 1950



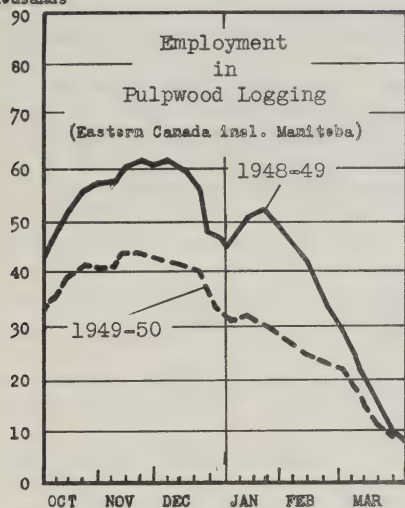
▲ Average weekly earnings in Logging at Feb. 1, 1950.

M-5-0-1

INDUSTRIAL LABOUR MARKET

LOGGING

Thousands



as reported by Canadian Pulp & Paper Association.

Employment in logging in eastern Canada declined rapidly during March, as cutting and hauling operations were generally completed. The demand for labour in this industry will remain light until river driving gets under way with the spring break-up, when a secondary employment peak occurs.

This decline in employment for loggers employed directly by the pulp and paper companies is plotted on the accompanying chart. Employment in this group declined from 30,000 at the beginning of March to less than 10,000 at the end of the month. A similar employment trend took place among other groups of loggers for whom no statistical record is kept, such as those employed by operators cutting on a contract basis and own-account bushworkers.

A considerable proportion of these workers released from the industry were farmers or farm workers and have returned to agricultural work. Large numbers of the remainder, however, were unable to find alternative employment immediately and registered at Unemployment Insurance Commission offices to collect supplementary benefits. Claimants in this category were particularly heavy in the province of Quebec, where about 15,000 loggers were registered as unplaced applicants at the end of March, and in the Maritimes where 7,500 were on file.

Logging activity in British Columbia was slowly getting back to normal in March after unusually heavy winter lay-offs. This general improvement in the employment situation was reflected in a drop from 7,000 to 2,000 in the number of persons registered with the National Employment Service for work in logging. Operations in camps at higher levels were still closed in most cases, however, and poor road conditions limited work in some areas. The employment situation was not expected to be completely back to normal until at least mid-April.

MINING

Labour market conditions in the mining industry were generally stable during March, with little

labour demand and only a slight surplus of workers evident. Labour turnover and absenteeism, formerly serious problems in the industry, now are negligible. Short time has appeared in some sections of the coal mining industry, however, as a means of bringing production into line with demand.

Mining employment was well sustained during the first part of 1950, as export markets for the principal producers remained firm. Employment statistics issued by the Dominion Bureau of Statistics, which relate to February 1, show that employment among the mining companies surveyed totalled 85,000. This was an increase of 1 per cent over the figure twelve months previously. This total was divided among the main divisions in the industry as shown below:

	February 1, 1950	February 1, 1949	Per Cent Change
Coal.....	24,948	25,627	- 2.4
Metallic ores.....	43,977	42,649	+ 3.1
Non-metallic minerals.....	15,964	15,689	+ 1.8
Total.....	84,889	83,965	+ 1.1

Wage rates in the industry continue to show a slight upward trend but the rate of increase is not as rapid as in previous postwar years. Average hourly earnings in the industry were reported as \$1.20 at January 1, 1950, as against \$1.17 in January, 1949. Coal miners' earnings, at \$1.31 on the average, were highest among the three main groups in the industry. New agreements arrived at during March, however, do not provide for any further wage increases. In Nova Scotia, a new contract was signed by some 7,000 miners of District 26 of the United Mine Workers (C.C.L.) without any increase in wages. Canadian Collieries Ltd. asked 1,200 Vancouver Island coal miners to take a 75-cent-a-day wage cut, which the miners refused to accept.

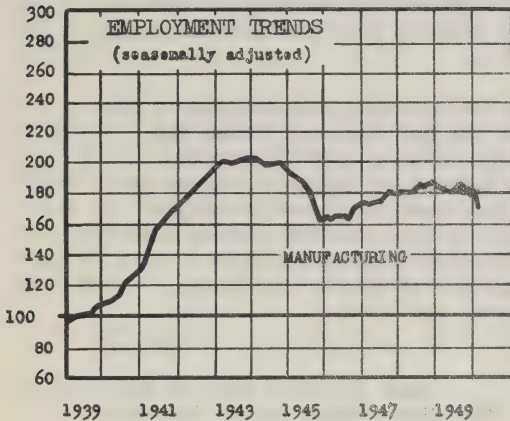
MANUFACTURING

Divergent trends were apparent in the labour market in the manufacturing industries

during March. Some industries were already beginning to feel the effect of the spring pick-up, while in others short-time work and lay-offs remained prevalent. The following summarizes the salient features in some of the major divisions of the industry as a whole:

Sawmills: The beginning of the seasonal uptrend in sawmill employ-

Index
1935-39 = 100



except the Maritimes, where an employment has taken place.

Pulp and Paper: Eastern Canada paper mill workers will seek a general wage boost of 10 cents per hour, it was decided at the 10th Annual Conference of Quebec and Eastern Canada Council of Paper Mill Union (T.L.C.) held at Hull, Quebec, during March. The present basic wage is \$1.00 per hour. Other demands approved by the delegates included: 1) three weeks vacation with pay after 15 years service, instead of 20 years as at present; 2) six statutory holidays with pay at all mills; 3) double-time for work on statutory holidays.

Textiles: The annual peak of activity in the primary textile industry is reached in February and a slight slackening off occurs during March. During the first quarter of 1950, with expansion in the cotton and silk manufacturing groups more than offset by reductions in staff among woollen and hosiery manufacturers, the industry has been operating with lower employment levels than in 1949. Unskilled labour is reported to be plentiful but skilled labour is still in demand, since turnover is high, with many workers leaving before their training period is completed.

The clothing industry was in its most active period during March, as the spring peak is reached slightly later than in the primary textile industry. Year-to-year comparisons show production and employment in the industry are expanding, chiefly because of strong domestic demand. The D.B.S. index of employment, at February 1, was 130.4 (June 1, 1941 = 100), compared to 126.4 at the same date in the previous year.

Automobiles and parts: Lay-offs in the Canadian industry resulting from a strike of Chrysler employees in the United States interrupted the

ment was accelerated during March by the return to work in British Columbia of several thousand millworkers who had been laid off because of bad weather. The labour force throughout the sawmill industry will continue to expand until late summer, at which time it is expected to be about 25 per cent above the mid-winter low. The number employed in the industry in the winter of 1949-50 dipped slightly below the total in the previous year to about 43,000, but now a strong demand for lumber is exerting a buoyant effect on employment in all regions

steady upward trend of employment during March. Some 5,000 workers were affected in total, of whom 3,800 were employed in the Chrysler plant in Windsor. Some 550 of these were re-hired on March 13 but laid off again on April 14. The remaining twelve hundred workers laid off were employed in eleven parts plants in six Ontario cities.

Non-ferrous metals: Strengthening demand for aluminum, especially in the United States which is reported to require two and one-half times the amount produced there, has placed this industry in a more favourable position. Heavy lay-offs in the Aluminum Company of Canada's plants at Arvida, Chicoutimi, and Shawinigan Falls last year were the principal factors in an overall decline of employment in the industry during 1949 of about 7 per cent. During April, the Aluminum Company of Canada announced it will return to capacity production at its Arvida plant, and will add 250 workers to the present staff of 7,000.

TRANSPORTATION

Lake shipping was one of the first areas of the labour market to show signs of a spring pick-up in activity. Although the first boats received their sailing orders at the end of March, this was nearly a month behind the all-time record opening date last year, March 4. Most of the ships did not start moving until April 15 and St. Lawrence navigation was held off until the opening of the Lachine canal on April 22. All lake ports report that no difficulty was experienced in manning their ships and owners predict a normally active season.

In the coastal shipping industry in British Columbia, a wage dispute between the Seafarers' International Union (A.F.L.) and shipping operators in March was referred to a conciliation board. The SIU asked for a \$30 per month across-the-board increase and the operators offered a renewal of the old contract. Present basic pay for deckhands on coast vessels is \$145 per month.

CONSTRUCTION

With the opening of the 1950 building season, wage negotiations were in progress during March between contractors and the building trades' unions. It was felt that the key to the 1950 wage pattern would be provided by the outcome of the demand of Ontario plumbers for a 25 cent-an-hour wage increase which would bring their basic hourly wage to \$2.00. This demand has led to a plumbers' strike in one city, Ottawa, but disputes in several other Ontario centres have not reached the strike stage.

The Canadian Construction Association, representing building contractors, took a firm stand against further wage advances. Building costs showed signs of stabilizing towards the end of the 1949 season and

contractors felt that if the plumbers were granted higher wages, other trades would also seek increases, and this might jeopardize the anticipated high volume of construction activity. Union officials did not think a wage boost for plumbers would necessarily affect other skilled trades.

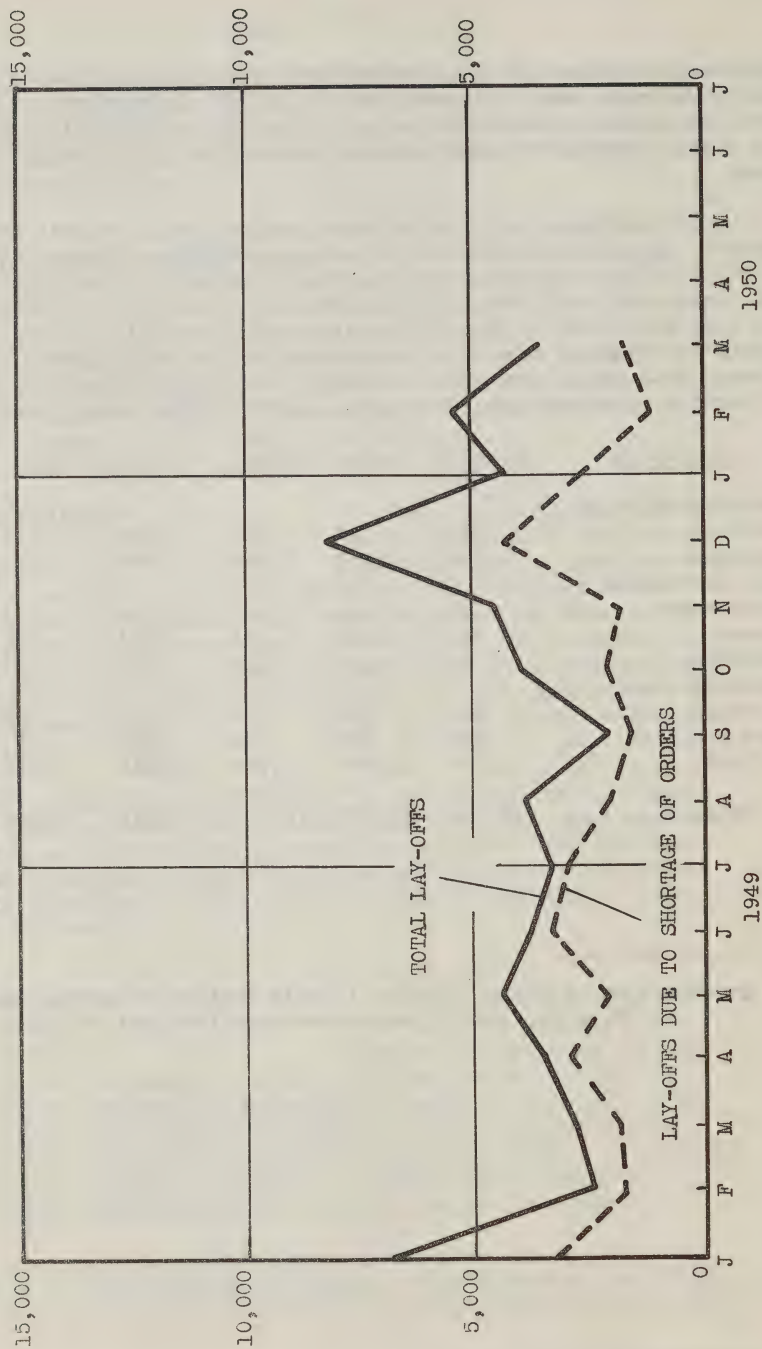
In general, the industry was just beginning to gain momentum in March. An indicator of this pick-up was the jump in contracts awarded from \$65,000,000 in February to \$75,000,000 in March. The total for the first three months of 1950, at \$216,000,000, was \$7,000,000 below the first quarter of 1949. With the industry only partially active, many construction workers were still unemployed at the end of March. The following data on persons registered for work with the National Employment Service provides some idea of the scope of this unemployment:

<u>Occupation</u>	<u>Atlantic</u>	<u>Quebec</u>	<u>Ontario</u>	<u>Prairies</u>	<u>B.C.</u>	<u>Canada</u>
Bricklayers & tile setters.....	342	735	573	146	115	1,911
Carpenters.....	6,734	9,979	5,513	4,376	3,116	29,718
Cement & concrete finishers.....	104	246	236	84	66	736
Painters.....	791	2,432	1,361	571	582	5,737
Plasterers.....	44	133	118	135	97	527
Plumbers & steam- fitters.....	418	968	614	176	260	2,436
Others (skilled)....	384	727	724	983	371	3,189
Unskilled.....	3,217	10,733	6,716	6,045	1,561	28,272
Total.....	12,034	25,953	15,855	12,516	6,168	72,526

Erratum: Dates given in table in this section of March issue,
Page 21, should read:—February, 1949 and February, 1950.

LAY-OFFS IN MANUFACTURING INDUSTRIES

JANUARY 1, 1949 TO DATE .



CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Non-seasonal manufacturing lay-offs in March, 1950, were fewer than at any time during the winter months. Of the 3,574 reported, nearly half were in the transportation equipment industry; the other lay-offs were not concentrated in any one industry.

The shutdown of the Chrysler Corporation plant at Windsor, Ontario, caused 3,800 workers to be released at the end of February. Although 550 of these were recalled after two weeks, there were still 3,250 out at the end of March.⁽¹⁾ Lay-offs resulted in feeder plants supplying Chrysler in Windsor, which affected 1,051 employees. Canadian Acme Screw at Toronto and Electric Auto-Lite at Sarnia each released about 300 workers; Canadian Automotive Trim Ltd. and Backstay Standard Co. Ltd. in Windsor released 180 and 130, respectively.

A shortage of orders continues as the most serious and consistent reason for current lay-offs. Transportation equipment manufacturing had the heaviest lay-offs under this classification, with the Canadian Car & Foundry Company at Montreal laying off 250 workers, while the Canadian Locomotive Company at Kingston continued to lay off between 30 to 40 men per week in March. Lay-offs in the primary textile and clothing industries were light, although the Carleton Place area in Ontario reported a continuing slump in this industry. Three heating apparatus firms in Ontario and Quebec released 212 workers.

Although complete coverage is not available, records show that at least 3,400 Canadian manufacturing workers were on a short work-week during the month of March. Almost all the part-time work occurred in the textile, and iron and steel industries. Some 1,700 textile workers were reported on part-time work during March. Of the 18 plants affected, the Associated Textiles of Canada Ltd. at Louiseville, Quebec, had 500 workers on a four-day week; Julius Kayser Ltd. at Sherbrooke, approximately 300 on a three-day week; Mercury Mills Limited at Hamilton, had about 650 workers on a four-day week. In the iron and steel industry, the Canada Iron Foundries Ltd., Three Rivers, Quebec, had 300 employees on a four-day week, mainly because of the slump in the railway rolling stock industry. International Malleable Iron Company at Guelph, Ontario had 400 workers on a four-day week presumably because of a shortage of orders. One other large part-time lay-off occurred at Beach Foundry Limited at Ottawa, with 320 employees on a four-day week.

⁽¹⁾ Since these lay-offs did not occur in March, they are not included in the March total, which covers only new lay-offs during that month.

Table I—Non-seasonal Lay-offs in Manufacturing Industries,
by Cause⁽¹⁾

Cause of Lay-off	March, 1950		February, 1950		January, 1950	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of orders.....	1,710	47.8	1,203	22.2	2,702	61.5
Shortage of materials..	435	12.2	142	2.6	232	5.3
Industrial disputes....	1,051	29.4	3,900	72.0	-	-
Production changes.....	153	4.3	43	0.8	648	14.7
Out of business.....	15	0.4	30	0.6	-	-
Other.....	210	5.9	100	1.8	812	18.5
Total.....	3,574	100.0	5,418	100.0	4,394	100.0

(1) As reported by National Employment Service offices

Table II—Non-seasonal Lay-offs in Manufacturing,
by Industry⁽¹⁾

Industry	Lay-offs during March, 1950		Employment at Jan. 1, 1950 ⁽²⁾
	Number of Establishments	Number of Workers	
Iron and steel products.....	7	319	152,000
Transportation equipment.....	14	1,599	129,000
Food and beverages.....	3	153	113,000
Textile products.....	6	194	100,000
Wood products.....	6	324	77,500
Paper products.....	2	82	68,000
Clothing.....	8	338	63,500
Electrical apparatus.....	2	75	53,000
Other.....	1	14	53,000
Non-ferrous metals.....	3	159	45,500
Printing and publishing.....	-	-	44,000
Chemical products.....	1	15	43,000
Non-metallic mineral products..	3	237	37,000
Leather products.....	2	35	30,000
Rubber products.....	1	30	21,500
Tobacco products.....	-	-	12,000
Total.....	59	3,574	1,042,000

(1) As reported by National Employment Service offices

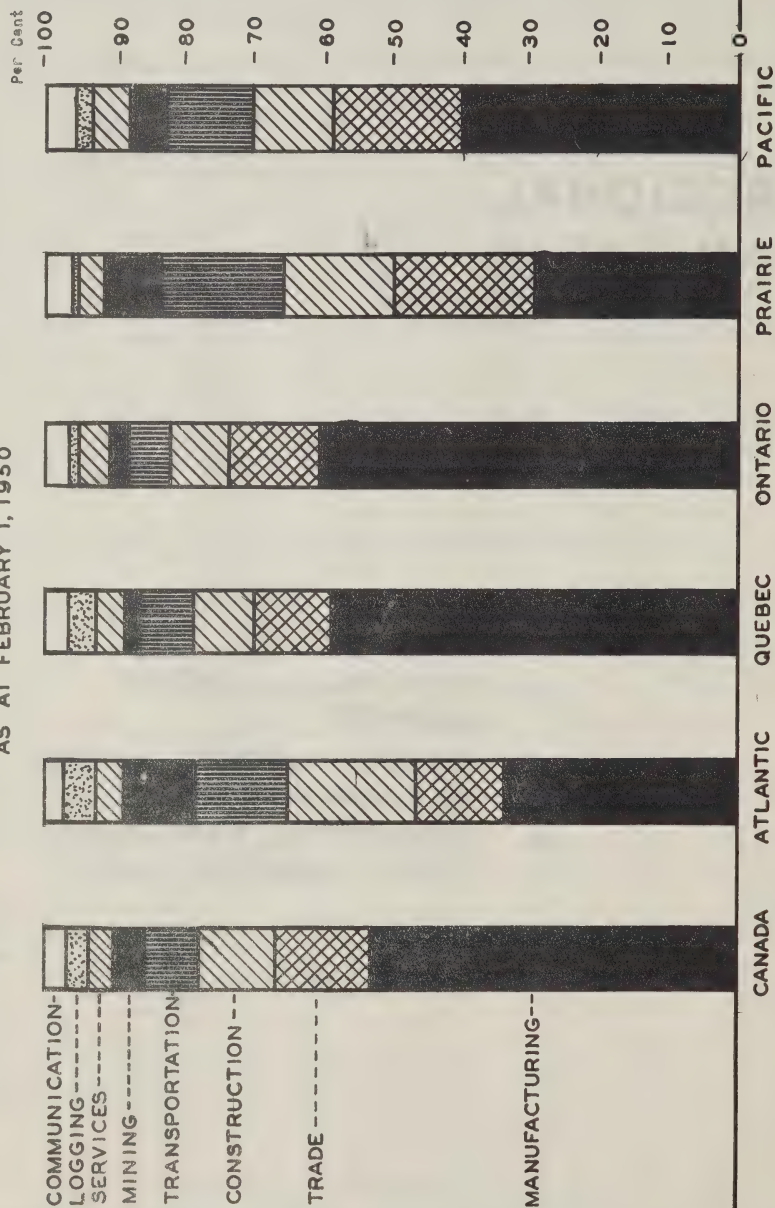
(2) Source: Employment and Payrolls Branch, D. B. S.

REGIONAL ANALYSIS.....

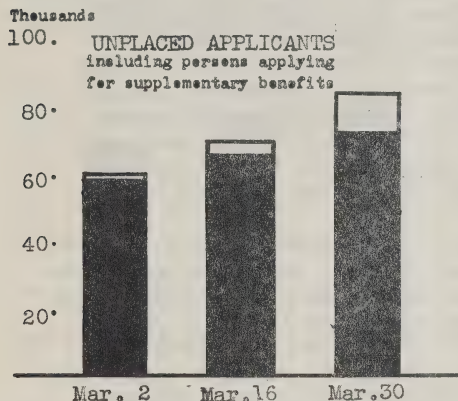
- ▲ REGIONAL LABOUR
MARKET
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ INDUSTRIAL EXPANSION
FIRST QUARTER, 1950

PERCENTAGE DISTRIBUTION OF EMPLOYMENT IN THE EIGHT LEADING NON-AGRICULTURAL INDUSTRIES

AS AT FEBRUARY 1, 1950



REGIONAL LABOUR MARKET ATLANTIC



1950 were being finalized, preparations were under way and more optimism toward the future was apparent.

There were slight seasonal increases of employment in some Maritime clothing, construction material and fertilizer firms, but most manufacturing plants maintained a steady level of operations. Short-time work continued, and some small lay-offs occurred, throughout secondary textiles manufacturing in New Brunswick. Some early hiring of farm help began during March, and shortages of farm labour are anticipated in Prince Edward Island. In Nova Scotia and New Brunswick, demand for farm labour is not expected to be heavy and the supply is ample. Winter fisheries, periodically hampered by adverse weather, nevertheless resulted in fair to good catches; and preparations are under way in the mainland provinces for greatly increased spring activity.

In Newfoundland, after having employed a peak of about 9,000 workers and helping many to qualify for unemployment assistance, the Provincial Government's winter works program ended on March 15, with some 5,000 still employed at that date. Those unable to find work or to qualify for unemployment assistance will be paid regular relief rates under a relief work scheme that began March 16. Construction planned for 1950 in Newfoundland includes a \$3 million slum clearance project in St. John's, a variety of Federal Government work and extensive track and roadbed maintenance and other construction to be undertaken by the Canadian National Railway. The rail work, in particular, may provide considerable employment, since it is especially suited to the type of labour available in greatest quantity. Provincial Government road work in the Grand Falls area is not expected to start until September or

October, but the Anglo-Newfoundland Development Company's plan to increase its 1950 pulpwood cut by 60 per cent over 1949 is likely to improve the employment situation there. This firm has already returned to a full work-week in its newsprint operations. A proposed union-sponsored transfer of unemployed miners from Bell Island to mainland mining jobs drew applications from about 200 experienced workers.

The Newfoundland fishing industry is experiencing difficulty in disposing of the balance of the 1949 catch, and the market outlook for 1950, especially for salt cod, is poor. Secondary manufacturing on the Island continued to feel the effects of competition from mainland firms, and their outlook is uncertain. There will be little improvement in the slack situation in trade until navigation re-opens.

Greatly increased woods activity this summer and fall is foreseen for Northern New Brunswick areas, but in March the beginning of the thaw brought log hauling activity to a close throughout both Nova Scotia and New Brunswick. Loggers were awaiting the stream drive and the beginning of pulpwood peeling operations. Flood conditions resulting from the thaw and restrictions on highway traffic forced some coal mines in the Minto area and in Nova Scotia to suspend operations. However, greatly increased purchases of coal by the Canadian National Railways from the Sydney coal fields are expected to result in continuing high-level activity in the mines; while the outlook for construction in that area is very encouraging. This is also the case in the Halifax area, where shortages of all construction skills except carpenters are expected. Port activity there is said to have been the slackest since 1933, and will decline further as St. Lawrence navigation opens. Preparations for the beginning of marshland reclamation work were being made in Amherst.

Smaller centres in New Brunswick are expecting only average construction activity, but Saint John is looking forward to a busy season. Here, too, port activity has been compared to pre-war levels, and will decline as spring progresses. Retail sales in Saint John during March were lower than a year ago; but the prospect of a Provincial sales tax coming into effect shortly combined with the Easter season to bring somewhat increased trade activity in other parts of the province.

QUEBEC

The availability of supplementary benefits has brought a rapid increase in applicants at National Employment Service offices throughout Quebec, during March. Almost three-quarters of the registrants at some local offices were claimants for supplementary benefits, and many of these would not otherwise be registered. Nevertheless, the general level of employment was slightly below that of March, 1949.

Throughout the region, some construction activity began in March, particularly on projects started before the winter shut-down; but

Thousands

250 • UNPLACED APPLICANTS - Quebec
including persons applying
for supplementary benefits
200 •

150 •

100 •

50 •

Mar. 2 Mar.16 Mar.30

lying districts, particularly where

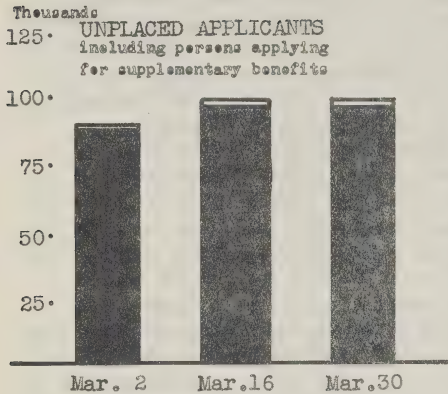
the weather remained unfavourable for any general start on the extensive construction planned for the coming season. The outlook for this industry will become clearer when the Provincial Government's 1950 budget is made known. A few hirings of farm labour were noticed in some centres, largely for sugar-bush operations, but general activity in agriculture is not expected to pick up until late April or May. Retail trade was steadily active in the larger centres, although increasing buyer resistance was being met in some lines, especially used cars; but activity was slack in the out-

Many of the loggers released from woods employment with the end of cutting and hauling in most areas will soon be employed on the river drive. In the Saguenay district, however, some cutters were hired during March as firms increased their cutting quotas; and truck hauling of pulpwood was very active due to the lack of snow. Employment at the Aluminum Company of Canada plants in the area remained stable, and local construction promises to be fairly active. Here, and in Three Rivers and Shawinigan Falls, increased activity in newsprint production was apparent; but in the latter area some chemical firms and most textile and footwear producers were slack.

In Montreal, while most manufacturing continued at a slightly lower level than a year ago, some increases in activity were apparent in the men's clothing and electrical apparatus industries. However, further lay-offs occurred in foundries and machine shops producing heavy machinery, road-building and transportation equipment; and extensive short-time work continued throughout most secondary textiles and footwear plants. Employment in primary textiles manufacturing increased in Sherbrooke where, as in other parts of the Eastern Townships, there appeared a light demand for loggers to work in the State of Maine. This, however, is not likely to reach the proportions of previous years due to the availability of many U.S. workers. Textile production in Drummondville and Valleyfield was slack.

Shipping firms in Quebec City were readying ships and crews for the opening of navigation of the St. Lawrence; while primary textiles operations in that city were back to capacity, secondary textiles were beginning to pick up at the end of the month and footwear production showed improvement.

ONTARIO



Employment conditions showed a slight seasonal improvement in most areas during March, but the upswing was less marked than usual. The persistence of stormy wintry weather throughout most of the month delayed the start of many construction projects, while usually are the chief source of increased employment at this time of year. In addition, expanding activity in regional manufacturing, particularly in iron and steel industries, was offset by a large lay-off in the automobile industry.

This latter development boosted the level of unplaced applicants for the region during the month. New persons registering as unplaced applicants in order to claim supplementary benefits were relatively few during March, however, which indicates that in Ontario the National Employment Service operations were already covering a high proportion of the unemployed. Furthermore, some claimants for supplementary benefits are retired workers and housewives, and can be expected to leave the labour market once the program ends on April 15.

The volume of production and employment in general manufacturing increased during the month in areas such as Toronto, London, Niagara Falls, Hamilton and Brantford, and the improvement was generally concentrated in heavy metal industries. The upswing has been slower this year since many firms have been carrying large inventories and are proceeding with caution. This factor has applied particularly to textiles, food and consumer goods industries, and in some cases short-time operations and small lay-offs were occurring; in areas such as Kitchener-Waterloo and Peterborough, where these industries prevail, seasonal improvement has been slower as a result.

The automobile industry has been at capacity production in Oshawa, but in Windsor, as a result of the prolonged United States strike, a heavy lay-off has been in effect at the affiliated Canadian company throughout March. Some 3,800 men were laid-off at the beginning of March, and about 600 were recalled in the middle of the month; accompanying lay-offs took place in feeder plants of the area. Other producers in the area are working at capacity, although some industrial unrest has been prevalent.

Shipbuilding firms in Collingwood and Kingston have been busy; with the imminent opening of lake navigation; in the latter area, however, this improvement has been cancelled by steady lay-offs in the locomotive industry.

Construction activity will advance rapidly during April, and full employment is expected in most areas in the coming season. Similarly, farm labour demand will increase sharply once the ground is workable; Dutch workers are in demand rather than Displaced Persons, as the former are less anxious to leave farm employment for city jobs.

PRAIRIE

Thousands

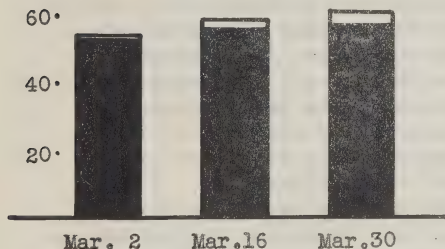
100· UNPLACED APPLICANTS
including persons applying
for supplementary benefits

80·

60·

40·

20·



March was chiefly a month of preparation throughout the region, and general employment remained fairly level. A sharp upswing in activity was imminent, and a season of record activity was anticipated particularly in the western section.

The number of persons seeking work through National Employment Service offices, excluding new applicants claiming supplementary benefits, declined slightly despite the release of workers by the completion of hauling operations in the woods and seasonal lay-offs in coal mining. Persons claiming supplementary benefits were relatively few,

and included some married women and pensioners returning temporarily to the labour market to collect the benefits.

Farm labour demand was increasing, in both current and deferred orders. Greater activity will occur in late April and early May, at which time some local shortages may develop; men are not inclined to take farm work if other employment is available.

In the Lakehead area, hauling operations were completed and bushmen were returning to their farms or seeking other employment. Many will be absorbed in different types of work once navigation opens in April, and the spring river drive in May will employ others. At Fort Frances, a most successful season was reported and record shipments of pulpwood to the United States were continuing; spring pulpwood cutting will be resumed in this area after a lapse of several years. Planer mills were in full operation, producing higher grades of lumber which find a ready demand in United States and domestic markets. Mining also will be active in the Lakehead area shortly.

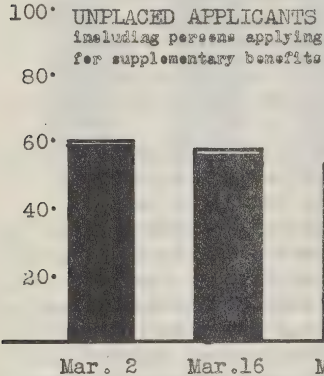
Coal mines in Alberta fields--Drumheller, Lethbridge, Edmonton, Estevan and Red Deer--were working on reduced schedules because of the usual seasonal shortage of orders. Oil drilling operations in Alberta have continued despite the cold weather of the past few months.

Work on the pipeline project has begun; right-of-way has been

arranged and building of the pump station and storage tanks at Edmonton was under way. Employment in this area has been expanding rapidly--in addition to its position in the oil exploration program, it is fast becoming the distribution centre for Alberta, the Northwest Territories, Yukon, and Eastern British Columbia.

PACIFIC

Thousands



Employment expansion during March was most rapid in this region as work was resumed in logging and construction and, accordingly, there was a sharp decline in unplaced applicants. The registration of new applicants for supplementary benefits was also the least in any region. Market conditions for all the major industries, other than food production, were excellent and the seasonal upswing would have been greater if unusually rainy weather had not delayed some outside operations.

Logging camps throughout the region were returning to full operation in the coastal and Vancouver

Island areas, but snow and bad road conditions still impeded production in southern interior districts. At Prince George, however, camps were open again, and logs were being hauled to the mills throughout the night, since road conditions restricted trucking during the daytime. In this area, sawmills were operating at capacity and lumber prices were the highest on record in the district. Mills on Vancouver Island were also working at capacity but elsewhere log shortages were causing some difficulties. On the coast, adverse towing conditions were holding up the log supply, and shingle mills were similarly affected. Rapidly rising prices for logs were the result of this condition.

Construction activity was well under way. Contractors expected a very busy year, although it was felt that domestic building, especially in the Vancouver area, might decline somewhat because of the sharp increase in lumber prices. In Victoria, demands were registered for all types of tradesmen and labourers, but towards the end of the month a strike threatened the principal source of supply for building materials in the area. At Prince George the industry was booming; work on the P.G.E. Railway has commenced and a new million dollar bridge is to be built across the Fraser; work will resume on the Aluminum Company of Canada dam site and the B.C. Hydro Commission dam, as soon as weather permits, and building construction in the city is expected to reach the highest level on record.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I--Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for March and April of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group

Area	Ratio ^A Apr. 1 1950	Group Rating		
		Apr. 1 1950	Mar. 1 1950	Apr. 1 1949
<u>Population of 100,000 and over</u>				
Quebec.....	20	II	II	III
Vancouver.....	14	III	II	III
Windsor.....	13	III	III	III
Winnipeg.....	11	III	III	III
Ottawa.....	8	III	III	III
Montreal.....	8	III	III	IV
Hamilton.....	8	III	III	IV
Calgary.....	8	III	III	III
Edmonton.....	7	III	III	IV
Victoria.....	7	III	III	III
Toronto.....	5	III	III	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	26	I	II	II
Fort William - Port Arthur.....	22	II	II	III
Halifax.....	12	III	III	III
Saint John.....	12	III	III	III
Regina.....	9	III	III	III
London.....	4	IV	IV	IV
Kitchener.....	3	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	45	I	I	II
Shawinigan Falls.....	36	I	I	III
Hull.....	28	I	II	II
Sherbrooke.....	20	II	II	III
Three Rivers.....	18	II	III	III
Brantford.....	8	III	III	IV
Oshawa.....	8	III	III	III
St. Catharines.....	7	III	III	III
Kingston.....	7	III	III	III
Peterborough.....	7	III	III	IV
Sault Ste. Marie.....	7	III	III	IV
Saskatoon.....	7	III	III	III
Sudbury.....	6	III	III	IV
<u>Population of under 25,000</u>				
Pictou-New Glasgow.....	32	I	I	II
Sorel.....	29	I	II	II
Amherst.....	23	II	II	III
Valleyfield.....	22	II	II	III
Welland.....	18	II	II	III
Niagara Falls.....	7	III	III	IV
Trail.....	7	III	III	IV

^AThese ratios are computed on the basis of unplaced applicants data, which include claimants for supplementary benefits.

INDUSTRIAL EXPANSION FIRST QUARTER, 1950

Industrial expansion in the first quarter of 1950 so far has resulted in more new jobs in manufacturing industry than at the same time in 1949. Some 2,172 new jobs have already been reported and coverage is not yet complete.

An estimate of capital investment by manufacturing industry on construction during 1950 by the Department of Trade and Commerce indicates that the value of industrial construction in 1950 will probably top that of 1949. This does not necessarily mean that the number of new jobs because of industrial expansion in 1950 will exceed that of 1949. Employment in the first quarter of 1950, however, and preliminary information on employment expected in the second quarter would indicate that, in the first six months of this year, at least as many new jobs will be opened up as in 1949.

After 1948, most of the industrial expansion took place in the province of Ontario. In 1949, 62 per cent of all new jobs were in this province, while in the first quarter of 1950, 75 per cent of all new jobs were in Ontario. In the first quarter of 1950, new jobs in Ontario outnumbered those of Quebec by four to one.

<u>Industry</u>	<u>Number of Projects</u>	<u>Number of New Employees</u>
Chemical products	9	502
Food and beverages	2	90
Iron and steel products	8	203
Leather products	4	103
Non-metallic mineral products	2	59
Non-ferrous metal products	3	178
Paper products	8	52
Textiles	8	372
Transportation equipment	2	550
Wood products	5	38
Other	2	25
Total	53	2,172

The 35 expansion projects completed in Ontario during the first three months of this year will result in some 1,627 new jobs in manufacturing industry. Nash Motors of Canada Limited started the assembly of automobiles in Canada for the first time in the middle of March, and will employ 400 men. Two companies manufacturing cellulose meat casings,

Visking Limited at Lindsay, Ontario, and the Dominion Viscose Products Limited at Ajax, Ontario, will shortly employ 200 and 125 new workers, respectively. A manufacturer of auto parts, Eaton-Wilcox-Rich Limited at London, Ontario, will employ 150 workers. The R. W. Werner Company Ltd. manufacturers of aluminum mouldings will employ 100 at Oshawa.

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION (1)

- First Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Atlantic</u>			
South Nelson, N. B.	Trafalgar Mills Limited	Wood products	75
<u>Quebec</u>			
Gatineau	Commercial Alcohols Ltd.	Chemicals	15
Montreal	Cortly Products Inc.	Chemicals	75-100
Montreal	Henderson Chemical Works	Chemicals	10
Montreal	G.D. Peters & Co. of Canada Ltd.	Electrical apparatus	10
<u>Ontario</u>			
Ajax	E.F. Drew & Co. Ltd.	Chemicals	10
London	Capitol Records of Canada Ltd.	Miscellaneous manufacturing	15
Midland	Cooper-Weeks Leather Goods Ltd.	Leather pro- ducts	35
Newmarket	The Office Specialty Mfg. Co. Ltd.	Wood products	30
St. Thomas	Clevite Ltd.	Transportation equipment	80
St. Thomas	The Weatherhead Co. of Canada Ltd.	Transportation equipment	25
Toronto	Bonnie Footwear Ltd.	Leather pro- ducts	15
Toronto	Litho Print Ltd.	Printing and publishing	15
Toronto	Nash Motors of Canada Ltd.	Transportation equipment	400
Windsor	Steel Master Tool Co.	Iron and steel	20
<u>Prairies</u>			
Edmonton	General Egg Products Ltd.	Food & beverages	60

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

LABOUR MARKET

DEPARTMENT OF LABOUR
ECONOMICS AND RESEARCH BRANCH

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UNIVERSITY OF TORONTO

May DEPT. OF POLITICAL ECONOMY 1950

BAROMETRICS FILE " "

Government
FEATURE ARTICLE.....Publications

Employment and the
Growth of the Labour
Force.

Volume 7

Number 5

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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

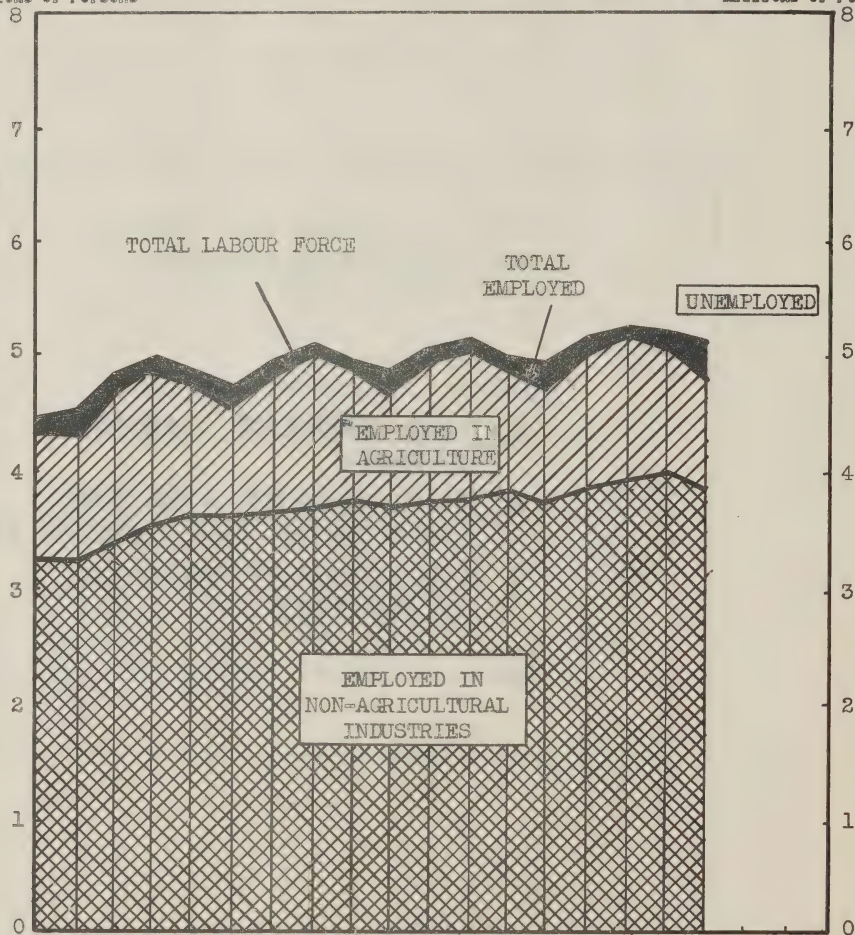
NATIONAL ANALYSIS.....

- ▲ THE CURRENT LABOUR
MARKET
- ▲ EMPLOYMENT AND THE
GROWTH OF THE LABOUR FORCE
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

TRENDS IN THE LABOUR FORCE 1945 - 1950

Millions of Persons

Millions of Persons



Nov. 17 1945 Feb. 23 1946 Jun. 1 1946 Aug. 31 1946 Nov. 9 1946 Mar. 1 1947 May 31 1947 Aug. 16 1947 Nov. 8 1947 Feb. 21 1948 Jun. 5 1948 Sep. 4 1948 Nov. 20 1948 Mar. 5 1949 Jun. 4 1949 Aug. 20 1949 Oct. 29 1949 Mar. 4 1950

1945

1946

1947

1948

1949

1950

M.5-M.1

THE CURRENT LABOUR MARKET

An unusually late spring has meant that the seasonal increase in employment was less rapid than usual this year. Towards the end of April, however, the number of persons seeking work at employment offices began to decrease sharply in most sections of the country. By May 11, the number registered at employment offices totalled 365,300.

Large-scale spring hiring in construction, agriculture and transportation were chiefly responsible for improvement in the employment situation during the month. Jobs in the service industry were also being filled as preparations got under way for the expected heavy influx of tourists. Spring activity was further advanced in Ontario and British Columbia than in the other regions; parts of the Prairies were hampered by floods; employment expansion in Quebec and the Maritimes was delayed by cold weather, although the opening of the fishing season on the Atlantic coast meant employment for many in the latter region.

Manufacturing industries, such as sawmills and pulp and paper plants were hiring more workers as the seasonal increase in production began. The automobile and primary iron and steel industries, and most plants producing electrical apparatus and household furniture, continued to operate close to capacity. In a few industries such as railroad equipment and leather goods, short-time work has persisted, although lay-offs in these industries have decreased in the past month.

With due allowance for frictional unemployment such as that caused by workers moving from job to job, the economy will be called upon to absorb in the next six months the major portion of an estimated 80,000 net increase in the labour force this year, as well as those persons seasonally displaced during the past winter and the usual seasonal entrants to the labour force such as students. The extent to which all of these workers are absorbed will depend basically upon the levels of investment, consumer expenditures and exports during 1950.

On the whole, employment in Canada will show substantial increases until the annual peak is reached in the late summer and early fall. Total civilian employment of 4,796,000 during the first week of March is expected to exceed slightly by late summer the 1949 peak of 5,255,000 for the same date. The increase in jobs is not likely to be nearly as numerous as the net increase in the labour force, however, and unemployment will be markedly higher throughout 1950.

This unemployment probably will be concentrated in those industries and areas which cannot adjust easily to changes in foreign markets or shifts in domestic demand. The Maritime provinces, for example, may find it more difficult than British Columbia to adjust to the decline in overseas markets by shifting to alternative markets in the United States.

CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	May 4	387,574	-10.8	-	-
Per cent of labour force.....	May 4	7.6	8.5★	3.9	-
Per cent of paid workers.....	May 4	11.4	12.8★	5.8★	-
Ordinary live claimants.....	May 1	209,905	-20.9	+56.1	+47.1
Per cent of insured population....	May 1	8.3	10.4★	5.6★	-
Per cent of unplaced applicants...	May 4	54.2	61.1★	70.2★	-
Amount of benefit payments.....	Apr.	\$11,350,431	-28.1	+49.2	+59.6
Index of Employment (June 1, 1941= 100)..... (Eight leading industries)	Mar. 1	122.2	- 0.4	- 1.2	- 1.3
Immigration.....	Mar.	5,801	+17.0	-36.7	-37.8
<u>Earnings and Income</u>					
Total labour income.....	Feb.	\$625,000,000	+ 0.8	+ 3.3	+ 2.7
Average weekly salaries & wages.... (Eight leading industries)	Mar. 1	\$44.69	+ 1.8	+ 3.3	+ 2.9
Average hourly wages (mfg.).....	Mar. 1	\$1.014	+ 0.5	+ 3.9	+ 3.9
Average hours per week (mfg.).....	Mar. 1	42.5	+ 0.5	- 1.2	- 1.3
Average weekly wages (mfg.).....	Mar. 1	\$43.10	+ 1.0	+ 2.7	+ 2.5
Cost of living index (Av. 1935-39 = 100).....	Apr. 1	164.0	+ 0.2	+ 3.0	+ 2.0
Real weekly wages (Mfg. Av. 1946 = 100).....	Mar. 1	107.7	- 0.3	- 0.1	+ 0.8
<u>Industrial Production</u>					
Total (Av. 1935-39=100).....	Mar.	189.0	+ 1.1	+ 1.7	+ 2.6
Manufacturing.....	Mar.	197.8	+ 1.3	+ 0.2	+ 1.3
Non-durables.....	Mar.	182.6	+ 2.8	+ 1.7	+ 1.3
Durables.....	Mar.	223.9	+ 0.7	- 1.9	+ 1.2
<u>Industrial Relations</u>					
Strikes and lockouts-days lost....	April	14,640	-41.7	-89.5	-70.4

★ These figures are the respective percentages for the previous month and for the same month last year.

EMPLOYMENT AND THE GROWTH OF THE LABOUR FORCE

The increase in unemployment during the past winter calls attention to the fact that, if unemployment is to be kept low, thousands of new jobs must be created every year to absorb the growing number of persons in the labour force. In 1949, over 100,000 new workers came into the labour market, through immigration and the natural increase of the population. During the winter, with activity in most industries seasonally restricted, there were not sufficient jobs for all workers even when allowance is made for the number ordinarily moving from one job to another. The surplus of labour thus created was considerably larger than any which has existed for about ten years.

Data on the employment situation at March 1950, point up this fact. In the twelve-month period prior to this date, the labour force increased from an estimated 4,900,000 to over 5,000,000.⁽¹⁾ The corresponding growth in employment was only 17,000. The increase in the number of persons totally unemployed, therefore, was about 90,000, rising from 200,000 to 290,000.

An increase in partial unemployment has accompanied this rise in the number of persons wholly unemployed. In the week ending March 4, 1950, 118,000 fewer persons worked 35 hours or more than in the same period in the previous year. Over the comparable period, there were 111,000 more persons who worked less than 35 hours. In addition, there were 40,000 persons not at work this March due to a temporary lay-off, 25,000 more than last year.

In summary, it is clear that the economy has not been expanding recently at a rate sufficient to provide year-round employment for the growing number of workers in the labour force.

The total number of jobs becoming available is the result of the demand for labour in the various industries. By an industrial analysis of the changes in employment, it can be seen which industry groups are providing more jobs and which are providing fewer jobs. Since there are wide seasonal fluctuations in employment in Canada, year-to-year comparisons are the best indicator of employment changes due to varying

(1) For purposes of comparability, data on Newfoundland are excluded from the statistics in this article.

economic conditions. Accordingly, the following table compares the levels of employment in the main industries at March 1949, and March 1950:

Industry	Employment		Change
	March 1949	March 1950	
Agriculture.....	956,000	937,000	-19,000
Forestry.....	113,000	82,000	-31,000
Fishing and Trapping.....	24,000	25,000	+ 1,000
Mining, Quarrying, Oil Wells....	83,000	79,000	- 4,000
Manufacturing.....	1,269,000	1,277,000	+ 8,000
Construction.....	251,000	227,000	-24,000
Transportation and communications	368,000	362,000	- 6,000
Public Utilities.....	45,000	44,000	- 1,000
Trade.....	637,000	618,000	-19,000
Finance, insurance & real estate	144,000	138,000	- 6,000
Service.....	810,000	928,000	+118,000
Total.....	4,700,000	4,717,000	+ 17,000

As can be seen, there was little change in employment levels in seven of the eleven industries over the year. A sharp increase was recorded in the number of workers employed in services and noticeable declines took place in the number of jobs in agriculture, forestry, construction and trade. In some cases, the declines were due to larger seasonal lay-offs this winter; in others, they were the product of changing market conditions. The marked increase in the working force in services reflects a shift to that type of work owing to a decline in job opportunities in other industries.

These changes in employment are reflected in a growth of unemployment over the past year. The majority of those seeking jobs can be directly related to a particular industry in which they have had some previous work history, or in which they usually find employment. At March 2, 1950, there were 375,000 persons seeking work through National Employment Service offices, an increase of 113,000 over the twelve-month period. About 75,000 of the additional 113,000 workers registered can be classified into occupations associated with the following major industries: manufacturing, 25,000; construction, 22,000; transportation and communications, 10,000; services 9,000, and the remainder 8,000.

The remaining one-third of these job-seekers are not as readily identifiable with any particular industry. Some of them were workers with skills which are required by all industries. In the period mentioned, for example, clerical, managerial and professional workers increased by 8,000. Unskilled workers, including new entrants to the

labour market, are also less likely to be attached to any particular industry. The increase in this group totalled about 20,000.

The following discussion will point out in more detail some of the main employment trends of the past year and draw attention to the more important factors influencing the employment changes in the major industries.

Agriculture

In the past, the trend of employment in agriculture has followed a different trend from that in most other industries. There is a tendency for workers to leave the farm when times are good and to return when the business cycle is at its low point. In the recent prosperous postwar years, the farm labour force has declined steadily in numbers. At March 4, 1950, the total number of persons employed in agricultural work was 937,000, about 19,000 less than in the same month in 1949.

To date, there is no indication of any extensive movement back to the farm, although labour supply is improving. Several factors are operating to limit employment expansion on the farms. First, over the long term, the growth in agricultural employment has not been marked. In the year 1921, the number of persons gainfully occupied in agriculture was 1,040,000. By 1949, the total was estimated at 1,091,000. Secondly, most people seeking work in the past few years have considered the wages and working conditions to be more attractive in other industries. Again, the high level of farm income has permitted the purchase of more combines, tractors, and other machinery which has served to cut down labour requirements. On the other hand, however, the industry has been one of the main benefactors from immigration. During 1949, for example, over 18,000 male farm workers were admitted to Canada.

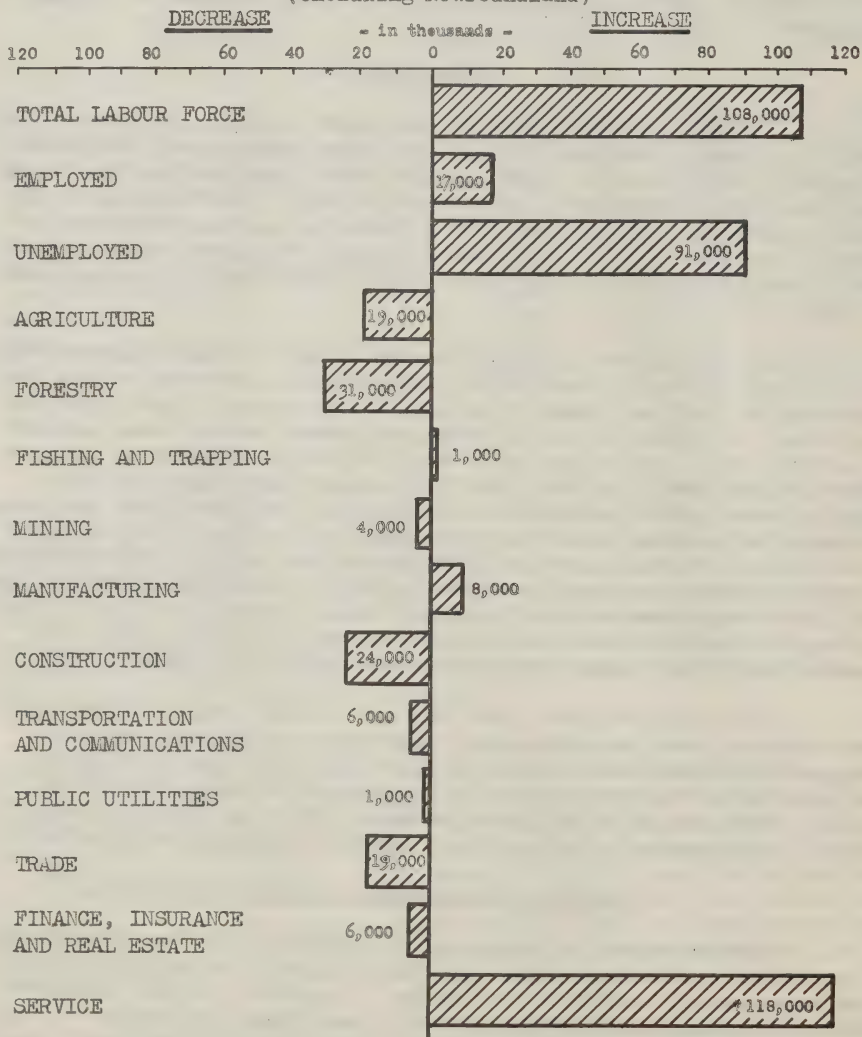
There has not been a net shift of workers evident from other industries, or from the unemployed, into farm work in spite of more stringent employment conditions. Nor, on the other hand, has agriculture contributed to unemployment by the release of large numbers of workers. The loss of 19,000 from the labour force in the year ending March 4, 1950 appears to be have been largely voluntary in character.

Primary and secondary forestry industries.

The importance of the logging industry in the Canadian economy is heightened by the fact that it is the only major industry in Canada which is seasonally active during winter. Canada's forestry resources have traditionally been a major source of employment and income to large numbers of workers seasonally inactive in the winter months, particularly farmers. Consequently, any large-scale decline in activity, such as that which took place in the winter of 1949-50 has important repercussions on the employment situation.

CHANGES IN EMPLOYMENT AND UNEMPLOYMENT MARCH 1949 TO MARCH 1950

(excluding Newfoundland)



It is estimated that about 25 per cent fewer jobs were available in Eastern Canada logging camps this past winter. At the beginning of March, employment was estimated at 82,000, or 31,000 below the same date in 1949. This drop in employment, particularly in view of the lack of alternative employment, was felt particularly in the Maritime and Quebec regions. In many cases, the income of whole communities was considerably reduced.

Employment in the secondary forestry industries in the east, on the other hand, has held up fairly well, as the main reason for the reduction in cutting was reported to be abnormally heavy inventories of logs, rather than changing market conditions. Demand for Canadian newsprint continued strong, except in the case of the United Kingdom, and employment in pulp and paper plants remained steady, although new machinery has in some cases increased production without any corresponding increase in labour requirements. Sawmill employment has shown a decline in aggregate, with loss of British markets by east coast producers offsetting the strong demand from the construction industry. Furniture factories have maintained staffs on the whole, although periodic lay-offs were more in evidence during 1949 than in previous years.

British Columbia forestry industries have been in a strong position during the past year, but large lay-offs due to abnormally bad weather conditions resulted in heavy unemployment during the winter months. Workers in both the woods and in the mills were affected, with at least 15,000 off work for varying periods. Full recovery is only now being made by the industry.

The forestry industries, therefore, contributed heavily to the increase in unemployment this winter, both on the east and on the west coast. The logging industry accounted for the major proportion of this increase. The decline in numbers employed from last year was estimated at more than 50,000 at the peak of activity, including both primary and secondary divisions. Except for the temporary lay-offs in British Columbia, the secondary industries were not subject to the same deterioration in employment as was logging. The only section of the secondary industries where employment was expanding, however, was on the west coast.

Mineral and mineral processing industries.

Mining is one sector of the economy which continues to expand its output in general, although the resulting effect on employment has not been significant. Reductions in staff took place in western coal mines during the winter, in part due to the effect of competition with oil. Maritime coal producers, however, benefited from the winter-long strike in the United States coal mining industry and were generally active. Mines in all other sections of the industry continued to operate at high levels.

As most mines and refineries have now built up the staffs they require, labour demand in the industry has not been particularly strong. On the other hand, labour supply has not been greatly in excess of this demand. The total numbers registered for work in mining occupations at the National Employment Service during the winter was just over 3,000 at its peak. Lay-offs in coal mines in Western Canada and in iron ore mines in Newfoundland, however, have created local unemployment problems.

The rapid development of the petroleum industry in Alberta contributed to economic activity not only in that province but in Canada as a whole. During the first part of 1950, however, the rate of expansion was delayed by lack of storage and pipe-line facilities. In respect to the other major mining industries, the demand for copper, nickel and zinc remains strong and employment has been well sustained in both the mining and processing industries. Gold mining, benefiting from the devaluation of the Canadian dollar, experienced an employment increase of about 2 per cent during 1949.

Manufacturing

Manufacturing activity, as indicated by the numbers of persons employed in the industry, has shown a steady contraction since the latter part of 1949. Unemployment in manufacturing occupations was heavy during the past winter, forming as much as 15 per cent of the total. Short-time work and temporary lay-offs were particularly evident during the winter.

Four main industrial groups-food, textiles, secondary forestry and iron and steel-constitute almost 75 per cent of total manufacturing employment. In only one of these, iron and steel, has an employment decline of any magnitude occurred. The remaining groups have shown little change. In all four divisions, however, fairly wide seasonal fluctuations in employment occur and a considerable amount of the winter unemployment can be traced to this source.

Among the remaining manufacturing industries, which provide about 25 per cent of manufacturing employment, there has been a net employment gain of about 3,000 persons in the year ending March 1, 1950. Certain industries, such as fur, leather, and non-ferrous metals have lost workers, although not in any quantity. These losses have been balanced by modest employment gains in other industries, such as electrical apparatus, non-metallic minerals and miscellaneous manufacturing.

Two of the principal manufacturing divisions-secondary forestry and mineral processing - have been mentioned above in connection with the primary industries with which they are closely associated. A brief discussion of three other main groups-textiles, iron and steel and food-follows.

Food industries: Wide seasonal variations in employment are characteristic of certain sections of this industry, especially in fruit and vegetable canning and fish packing. Although the industry laid off more than 25,000 workers after the busy season, not all of these became job-seekers since the industry employs many married women and students who are not usually in the labour force. Apart from these seasonal fluctuations, employment is relatively stable in the group as a whole. Fish packing, meat packing and flour milling have been producing at a lower level as a result of losses in the export field but those industries producing for the domestic market are expanding their output and employment.

Iron and steel: The iron and steel industries have suffered fairly extensive employment losses during the past year. At March 1, 1950, employment was reported at about 280,000, or 17,000 below March 1 1949. At the primary stage, demand is strong but secondary industries producing for non-recurring export demand have been hard hit. In addition, producers' goods industries have in some cases felt the effects of a slackening in capital expenditures. The consequent reductions in employment have been felt particularly in cities in Ontario and Quebec where most of the plants are located. Strong domestic demand for consumer durables such as automobiles has not been sufficient to compensate for the decline in the demand for machinery and machine tools, agricultural implements, railway rolling stock and ships of all types. Both the railway rolling stock and the shipbuilding industries have completed the large export contracts they received in the postwar years and are now almost entirely dependent on the domestic market for future orders. Such orders are usually small and infrequent in the case of the shipbuilding industry. The railway rolling stock industry has received a number of orders from Canadian railways for diesel engines but the man-hours required to produce this type of locomotive are less than for steam engines. The impact of declining demand for machinery and machine tools has not been as marked as in the above industries, although employment has fallen off.

Textiles: The Canadian textile industry has, in total, offered approximately the same number of jobs during the first part of 1950 as it did in 1949. Among the individual sections of the industry, however, diverse employment movements have been recorded. The clothing and artificial silk industries have added workers, while hosiery and knit goods factories and woollen mills have reduced staffs on the whole. In addition to temporary lay-offs, a considerable number of workers have been working only a few days out of every week. Since many small towns in Ontario and Quebec are almost entirely dependent upon one or two textile mills as the sole local employer of labour, this reduction in total man-hours of work has had important repercussion on an area basis. Labour supply, which up until 1949 was very short, in both the primary and clothing industry, was in excess of requirements during the past winter. As many as 15,000 persons were registered with the Employment Service.

Construction

The construction industry was responsible for the growth of unemployment in the winter months in two ways. In the first place, a greater proportion of the labour force was employed in this industry in 1949 than in 1948. Thus, more workers became unemployed during the construction off-season. Secondly, relatively less construction work was carried on this winter than previously. This is illustrated in the following table showing the decline in construction employment from the peak reached in the early autumn to the low point in the following winter during the past three years.

Date	Fall Peak	Winter Low	Per cent Change
1947-48.....	284,000	219,000	-22
1948-49.....	323,000	251,000	-22
1949-50.....	362,000	229,000	-34

To a greater degree than for most industries, it is possible to show the direct effect of the winter slow-down in construction work on the number of persons unemployed. A large proportion of the working-force in the industry, especially most skilled men who constitute about 60 per cent of the total, remains permanently in construction work and has less tendency to change jobs than the average worker. Of the 130,000 released from construction work at the end of the 1949 season, it is known that more than half remained unemployed during the winter. At March 2 of this year, for example, there were 70,000 construction workers registered with the National Employment Service. Of this total, 45,000 were classified as skilled men.

Services

During the past year, there has been a marked increase in employment, totalling 118,000, in this heterogeneous industry. The largest increase was in domestic, personal, building and protective service occupations which expanded by 60,000 as a whole. Jobs for professional personnel expanded by about 40,000.

A number of factors have contributed to the recent growth of the services industry. First, the shift of workers from other industries as employment conditions tighten must be taken into consideration. With job opportunities generally decreasing, many people are turning to service work as alternative employment. Now, also, with more workers available, many service establishments which had been previously hampered by labour shortages, are expanding. There has also been a sharp increase in the number of married women in the labour force, which may

be due to reduced family income as a result of short-time work or lay-offs. The growth in professional services was mainly due to the exceptionally large classes graduating from universities and other professional institutions.

Trade

This is another industry where a small decline in employment is evident. In March, 1950, employment in wholesale and retail establishments amounted to 618,000, a decline of 19,000 from March 1949. By occupational status, there was a drop of 11,000 among own-account workers and 8,000 among paid workers.

While retail sales in the first quarter of 1950 were estimated at 6 per cent above the same period in 1949, the increases were chiefly due to heavy expenditures on automobiles and consumer durables. Sales in most types of retail stores have been down slightly, thus limiting employment requirements.

The decline in employment in trade establishments has shown up in an increase in the number of applicants for work as sales clerks and wholesale salesmen. The increase in the number of sales clerks registered for work, from March 1949 to March 1950, was about 5,000.

Transportation and Communications

Total employment in this group has shown little change over the past year. By far the most buoyant sector, however, was communications, due to the continued expansion of telephone facilities. The resulting increase in employment was on the order of 5,000 workers. This expansion, however, was offset by a marked decline in shipping, and a moderate decline in steam railway operations.

In the shipping industry, the Canadian merchant fleet has not been able to compete with lower operating costs of ships from other countries, which culminated in the transfer of some of Canada's ocean-going merchant fleet to European operators last winter. The decline in shipments of goods to European markets also reduced employment opportunities in both shipping and stevedoring work. Year-to-year comparisons show the employment loss to the industry has involved about 3,000 men.

The labour force in Canadian railway operations has also declined by about 3,000. The two large railways have recently been forced to lay off men from repair shops because of a slight decrease in rail traffic. During the winter, temporary lay-offs were made in the running trades of the C.N.R. due to a coal shortage resulting from a strike in the mining industry in the United States.

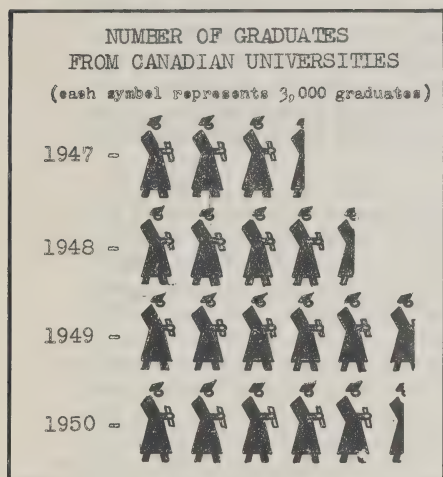
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During 1949, for the first time in ten years, there has not been an expansion in employment equal to the growth of the labour force. Over-all employment gains in manufacturing and forestry have come to a halt for the present, at least. Employment expansion in mining and construction has not been sufficient to provide the additional jobs required for an increasing number of workers. This has resulted in some shifts of workers, as the remaining pockets of labour shortages in the services industry, both professional and personal, are being filled and more workers are becoming available for farm work. In the immediate future, employment growth will likely be centred in these industry groups. The distributive industries, following closely the trend of the economy as a whole, have stabilized their current employment levels.

In the first five post-war years, full employment was based on the large backlogs of demand for all kinds of goods and services built up during the war and the investment boom which developed out of this. In the future, the provision of sufficient jobs for all workers in a growing labour force will depend upon the continuation of expansionary tendencies in the economy. At present, the economy is in a transitionary period - one set of expansionary forces are ending and another getting under way.

Future expansion is likely to be increasingly based on the further development of natural resources, coupled with the demand created by higher living standards. Some signs of the trend of this development are indicated in the petroleum industry in Alberta and in iron ore in Labrador. The maintenance of full employment will depend upon the extent to which these resources are capable of development. A consequent change in the distribution of employment can be expected. Certain industries may expand rapidly; others will lose workers. The final result will mean continued high employment but in different areas of the economy.

EMPLOYMENT SERVICE ACTIVITIES



By the beginning of May, many of the persons unemployed during the past winter had found employment in the expanding seasonal industries. The number of applicants at employment offices dropped from 435,000 at April 6 to 388,000 at May 4. Probably considerably more than 47,000 had found jobs on their own, but their applications would remain on files at employment offices for 30 days, unless a specific notice was received from each that he or she was no longer seeking work. For example, many of the persons registering for supplementary benefits (which were available until April 15) will find employment during the next month through

their own efforts, but unless they notify the local office their applications will remain active until May 15.

It is evident from existing statistics that skilled men were the first to go back to work. In construction, the decline in applications during April was in the ratio of almost 2 skilled or semiskilled men to 1 unskilled. However, because of the supplementary benefit program the number of skilled men with applications on file had risen markedly from March 1 to April 15, almost entirely due to registrations in the logging trades. Thus at the end of April, there were still more skilled and semiskilled persons registered for employment than unskilled, a situation which is most unusual for the time of year. In construction, transportation, and agriculture, almost all fully-trained help was at work by early May, with employment officials predicting a shortage of labour in a number of these fields during the summer.

By the latter part of April about 14,000 placements were being effected each week by the Employment Service. This rate compared favourably with the same period last year, as it has, on the whole, for most of 1950. Placements were at a low level during the early part of April, however, because of poor weather. The seasonal pickup this year was about two weeks later than in 1949.

It is significant that most of the university students looking

for summer work this year will probably be able to find employment. In fact, a National Employment Service official stated that the job situation for these students this year appears to be better than in 1949. It is expected that sufficient jobs will be available throughout the country with the possible exception of the Vancouver area. Here, work would be available if students were willing to move to outlying districts. Many of the jobs will be in the construction industry, especially in Western Canada where extensive work will be undertaken on the pipeline project.

The job outlook for university graduates for year-round employment, on the other hand, had deteriorated slightly over the year. About 50 per cent of the graduates registered with the National Employment Service had been placed at the middle of April, as compared with about 80 per cent at approximately the same date last year. This year probably more than the usual number of graduates will move to Ontario and Quebec to find suitable employment, because of the scarcity of jobs in the other three regions. In a few specialized lines, such as agriculture, considerable time may be necessary before the 850 persons graduating this year are absorbed into the employment stream. In engineering, where the record number of 2,650 will graduate, the outlook is relatively good, although the applicants with low scholastic standing and little work experience may find it difficult to secure employment. To date, graduates in General Arts and Commerce have been finding jobs without much difficulty.

Placement Operations of the National Employment Service

Series	Average Weekly		
	Mar. 1950 [†]	Feb. 1950	Mar. 1950
Applications ^x	51,000	37,000	31,000
Vacancies Notified.....	16,000	14,000	17,000
Placements.....	10,600	9,500	10,100
Women.....	4,000	3,400	3,800
Veterans.....	1,800	1,600	1,800
Handicapped.....	140	110	180
Executive & Professional.....	60	60	50

X Renewals not included

† Latest date for which complete figures are available.












INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL LABOUR
MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

INDUSTRIAL DISTRIBUTION OF EMPLOYMENT IN CANADA (1)

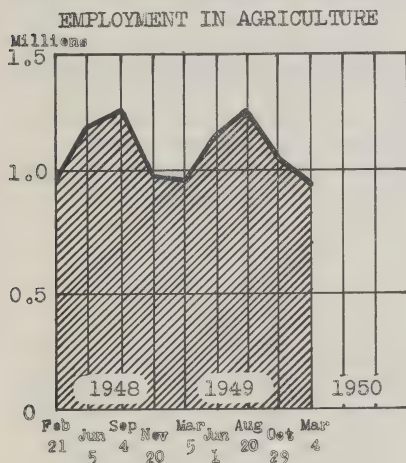
AS AT MARCH 4, 1950

TOTAL EMPLOYMENT = 4,796,000

MANUFACTURING		1,290,000 or 26.9 %
SERVICES		955,000 or 19.9 %
AGRICULTURE		940,000 or 19.6 %
TRADE		632,000 or 13.2 %
TRANSPORTATION & COMMUNICATIONS		368,000 or 7.7 %
CONSTRUCTION		229,000 or 4.8 %
FINANCE, INSURANCE and REAL ESTATE		138,000 or 2.9 %
FORESTRY		89,000 or 1.9 %
MINING, QUARRYING and OIL WELLS		81,000 or 1.6 %
PUBLIC UTILITIES		45,000 or 0.9 %
FISHING & TRAPPING		29,000 or 0.6 %

(1) Includes Newfoundland

INDUSTRIAL LABOUR MARKET AGRICULTURE



Cold weather, common to all regions during April, delayed farm work this spring from two to five weeks depending on the area and type of farm. As a result, the demand for farm workers was not heavy during the month, although a seasonal increase was apparent.

Local labour was sufficient to meet the demand in most cases. There was no indication of a movement of workers from other industries into agriculture as a result of reduced employment opportunities. In fact, some resistance to agricultural work is apparent. This is due in part to less attractive working conditions and wage rates but as well, to the fact that many job-seekers prefer to

work in insured employment as a buffer against possible winter unemployment.

The movement of Displaced Persons from Europe into farm work was getting under way during April. It is expected that the movement this year will be on a reduced scale. Total immigration from this source in April was 506 persons, including 267 single males and 239 persons in family groups. The family group included 209 persons destined for work on sugar beet farms.

FISHING

With the approach of the cod fishing season, discussions were carried on between representatives

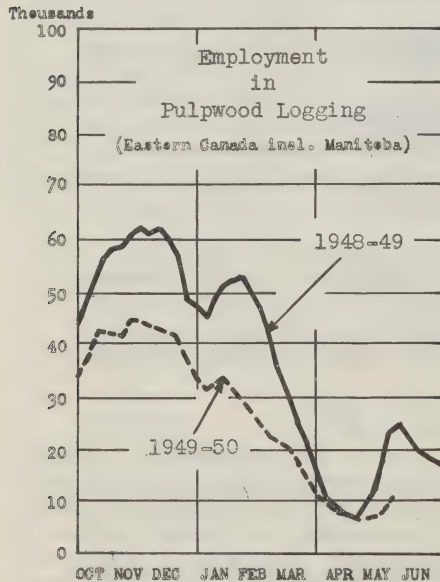
of the Newfoundland fishing industry and provincial and federal authorities during April regarding marketing problems. Newfoundland fisheries, a major source of employment and income in that province, are faced with the possible loss of European markets for cod due to exchange difficulties. About 400,000 quintals, or more than one-third of the total production, are marketed in soft currency countries in Europe each year. The fishermen would like to see a minimum price established before the season gets under way but no arrangements were reached.

Figures on production of winter fisheries in Canada show that yield and value were generally good during the first quarter of 1950.

The total catch in the three month period was 221,500,000 lbs., up about 30,000,000 lbs. from the same period in 1949. The landed value of the catch was also up over last year, at \$5,700,000. Most of the winter's activity was centred in the smelt fisheries on the east coast from September to February, and in the British Columbia herring fishery, which extends from October to February.

The employment situation in the west coast fish canning industry is somewhat spotty, in view of a recent price decline, notably for fish meal and oil, and increasing difficulty in disposing of the salmon pack in the export market. Favourable factors in the salmon canning industry are a good domestic market, a sizeable contract with the United Kingdom, and the fact that this is the cycle year for sockeye, which commands premium prices.

LOGGING



as reported by Canadian Pulp & Paper Association

and cold weather. Bad towing conditions made delivery of logs to the mills difficult during the month, and this resulted in temporary layoffs in some cases.

Operations in the logging industry in eastern Canada during April were at the low point between the end of winter cutting and hauling and the beginning of the spring drive. Labour demand was consequently light, being restricted to the employment of men to prepare for driving operations and for peeling. A secondary employment peak is reached in the industry in late May or early June, as shown in the accompanying chart, when the peak of the river drive is reached. This summer, levels are expected to be higher than last, since log inventories are now low in some cases.

In contrast, the demand for loggers in British Columbia was stronger in April, with a shortage of fallers reported in some camps. The late spring hampered operations generally and higher level camps remained closed due to snow

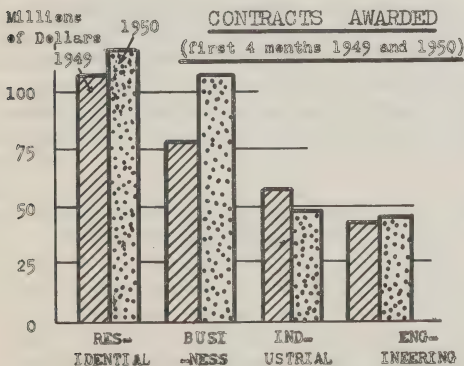
TRADE

Hirings in retail trade establishments showed a seasonal increase during April, although a drop in sales volumes from 1949 levels limited employment expansion. Department store sales in April were down 10 per cent from the same month in the previous year, with Saskatchewan showing the largest decline, 25 per cent. Quebec and British Columbia sales showed the smallest relative decrease, down 7 per cent.

The improvement in the employment situation was not sufficient to make much difference in the number of persons seeking work in the industry through the National Employment Service. Registrations of sales clerks at National Employment Service offices at the end of the month totalled 15,000, as against 16,000 at the beginning of the month. Of this total, about 11,000 were women. Most of these applicants, 61 per cent, were claiming unemployment insurance benefits.

Wage levels in the industry continue to rise. The average weekly earnings for retail trade at March 1 was \$35.92, and in wholesale trade, \$44.34. The comparable figures for last year were \$34.22 and \$43.27. Considerable variation is shown in data reported for the larger cities, average weekly earnings were highest in Toronto at \$42.48 followed by Vancouver where the average was \$41.48. In the remaining six of the eight largest cities, the following data were recorded: Winnipeg, \$38.91; Montreal, \$38.62; Hamilton \$38.19; Windsor, \$37.99; Ottawa, \$33.68 and Quebec City, \$32.94.

CONSTRUCTION



The spring step-up in construction work which took place during April resulted in considerable reduction in the ranks of unemployed workers associated with this industry. The beginning of this seasonal improvement was reflected in a decline in the number of construction workers registered for employment with National Employment Service offices. Their numbers dropped from 72,500 at the end of March to 60,000 at April 27, with the skilled sector of the labour force showing the largest decrease, from 44,000 to 36,000. The number registered

for unskilled work at the end of April was 23,500, as against a total of 28,000 at March 30. The occupational distribution of this total is shown on the following page.

Occupation	Number Registered	
	March 30	April 27
Bricklayers & Tilesetters.....	1,917	1,295
Carpenters.....	29,718	24,853
Cement & Concrete finishers.....	736	548
Painters.....	5,737	4,073
Plasterers.....	527	382
Plumbers & Steamfitters.....	2,436	2,367
Others, skilled.....	3,189	2,583
Unskilled.....	28,272	23,496
Total.....	72,532	59,597

An indicator of the probable volume of construction work and employment in the 1950 season is the trend of contracts awarded for construction projects. The total value in the first four months of the year was about \$310,000,000 up 10 per cent from the figure to the end of April, 1949. The largest increase was in commercial and institutional building, up 35 per cent at \$103,000,000. Residential construction continues to expand, the four-month total of \$117,000,000 representing an increase of 11 per cent from the comparable figure of 1949. Engineering contracts showed no change and industrial building is down 19 per cent from last year, although the April value was six times that of April 1949 in the latter category.

MANUFACTURING

Latest data issued by the Dominion Bureau of Statistics, which relate to March 1, 1950, indicate that the manufacturing industries continue to provide slightly fewer jobs than in the previous year. The index of employment in manufacturing at that date was 118.9 (June 1, 1941-100), as compared to 120.8 at the same time in 1949. These averages, however, obscure wide variations within the various sub-groups in the industry, as indicated by the summaries below:

Food: Domestic demand, based on the current high levels of national income, has been the principal factor in maintaining employment levels in this industry group. Such industries as bakeries, dairies, and candy factories whose market is entirely at home are in a stronger position. In certain other groups, however, the loss of export markets has resulted in employment losses. Fish and meat packing and flour milling have been the principal sufferers in this regard. On the whole, employment has remained slightly above last year. Reported employment at March 1 was 107,000, as compared to 105,000 at the same date last year.

Textiles: The weak spots in this industry are woollen mills and knit goods factories, both of which have been forced to lay off large numbers of workers. Expansion in the clothing and artificial silk groups, however, has sustained aggregate employment at a level approximately the same as in 1949. An ample supply of labour is available for the industry, with a surplus of over 15,000 workers indicated by National Employment Service registrations at the end of April. The majority of these workers, nearly 80 per cent, are classified as skilled and semi-skilled.

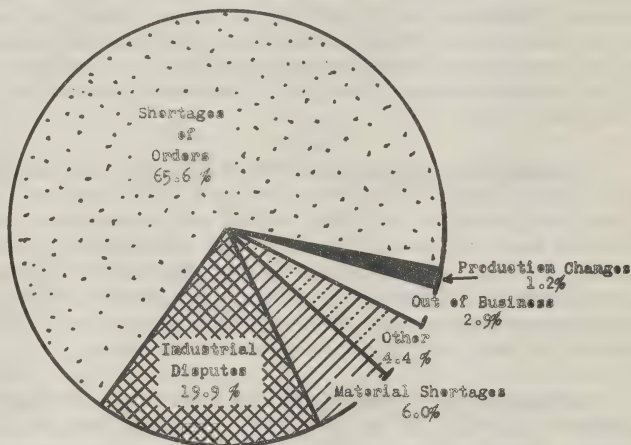
Automobiles and parts: Production and employment continue to expand in the automobile industry, with 89,000 cars and trucks turned out in the first quarter of 1950, which represents an increase of 68 per cent over the same period in 1949. This increase in output was achieved in spite of a lay off of 3500 workers due to the Chrysler Strike in the United States in March. The consequent increase in labour requirements has boosted employment in the industry to over 48,000 at March 1, 1950, nearly 10 per cent over last year's level.

Agricultural implements: Employment in the agricultural implements industry appears to be stabilizing around the 16,000 mark after dropping from over 18,000 in 1948. The loss of overseas markets together with a better balance between demand and supply in the domestic market, have been responsible for the decrease in output and employment. Sales in the coming year will depend largely on the level of farm income, which is expected to be below 1949 in both the United States and Canada. The larger companies in the industry depend heavily on exports to the United States.

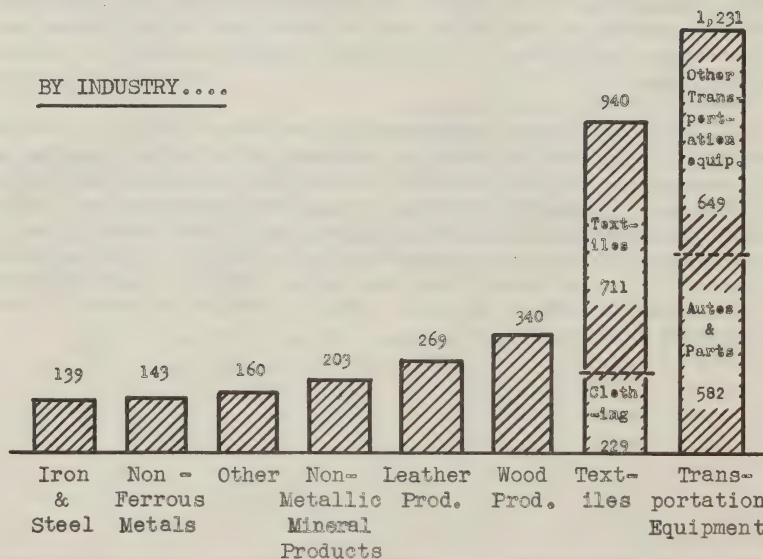
Shipbuilding: Canadian shipyards have been finding it increasingly difficult to compete for foreign business with United Kingdom and Scandinavian companies and are relying heavily on government contracts and repair business. Lay-offs continue throughout the industry, often involving highly skilled men difficult to replace. The industry has been trying to keep its key-men employed but the lack of business makes this difficult. It is estimated that the labour force in the industry as a whole was about 14,000 at March 1, 1950, a decline of about 7 per cent from the same date in 1949.

LAY-OFFS IN APRIL 1950

BY CAUSE....



BY INDUSTRY....



M-5-N-1

CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

Reported non-seasonal lay-offs in April, 1950, continued the downward trend started in March. Of the 3,425 lay-offs reported during the month, only those pertaining to railway rolling stock, textile and leather products manufacturing were of a more serious and continuing nature. Lay-offs in the iron and steel industry were again remarkably light.

The most important news recently concerning the lay-off picture was settlement of the strike at the Chrysler Corporation plants in Detroit at the beginning of May. Some 4,800 Canadian workers at Chrysler in Windsor and feeder plants throughout Ontario will return to work after a lay-off for most workers of over two months. Some abrasive plants in the Niagara Falls area where operations had slowed down also welcomed news of the strike settlement.

Declining demand for certain manufactured goods is now the principal reason for lay-offs, whereas shortage of materials and strikes were the main reasons in previous post-war years. The industries most affected by changing market conditions have been those producing textiles, leather and transportation equipment (principally railway rolling stock). The textile industry laid off 767 workers in April, while at least 2,000 workers were on short-time. Leather products had 269 lay-offs with at least 650 on short-time. The railway rolling stock industry released another 216 workers in April, which meant a drop of at least 1,750 workers since January, 1950. A furniture company in Vancouver laid off 90 workers, when anticipated orders did not materialize.

Many shingle mill workers in the Vancouver areas were still idle because of a temporary shortage of logs, and an additional 100 workers were released in April. The low water level in main logging rivers and severe weather along the coast hampered towing operations considerably. Consequently the supply of logs particularly for those mills which do not operate their own logging camps, has been temporarily cut-off. Some saw mills were reported operating from a day to day basis because of these conditions, but shingle mills were hardest hit in terms of employment.

Table 1 -- Reported Non-seasonal Lay-offs in Manufacturing Industries,
by Cause (1)

Cause of Lay-off	March, 1950		February 1950		January 1950	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of orders.....	2,250	65.7	1,710	47.8	1,203	22.2
Shortage of materials..	205	6.0	435	12.2	142	2.6
Industrial disputes....	682	19.9	1,051	29.4	3,900	72.0
Production changes.....	40	1.1	153	4.3	43	0.8
Out of business.....	98	2.9	15	0.4	30	0.6
Other.....	150	4.4	210	5.9	100	1.8
Total.....	3,425	100.0	3,574	100.0	5,418	100.0

(1) As reported by National Employment Service offices

Table 11 -- Reported Non-seasonal Lay-offs in Manufacturing,
by Industry (1)

Industry	Reported Lay-offs during April, 1950		Employment at Feb. 1 1950 (2)	
	Number of Plants	Number of Workers	Number	Percentage Change From Previous year
Iron and steel products.....	4	139	151,000	-8.6
Transportation equipment.....	8	1,231	128,000	-0.8
Automobiles & parts.....	3	582	47,500	+11.1
Food and beverages.....	-	-	108,000	+0.3
Textile products.....	3	711	101,000	-3.1
Wood products.....	4	340	74,000	-3.2
Paper products.....	-	-	68,000	-2.3
Clothing.....	7	229	67,000	+3.6
Electrical apparatus.....	1	20	53,000	+0.6
Other.....	2	100	52,000	+7.0
Non-ferrous metals.....	3	143	45,500	-6.9
Printing and publishing.....	-	-	45,000	+3.4
Chemical products.....	-	-	43,000	+1.6
Non-metallic mineral products..	2	203	36,500	-3.3
Leather products.....	4	269	30,500	-2.4
Rubber products.....	1	40	21,500	-2.1
Tobacco products.....	-	-	12,000	-2.2
Total.....	42	3,425	1,036,000	-1.9

(1) As reported by National Employment Service offices

(2) Source: Employment and Payrolls Branch, D.B.S.

REGIONAL ANALYSIS.....

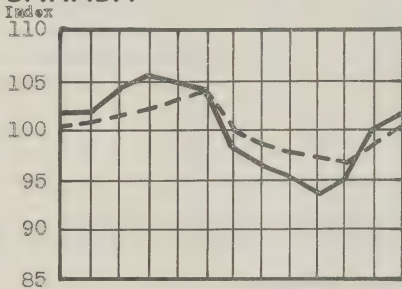
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OF COMMUNITIES
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OF INDUSTRIAL EXPANSION

SEASONAL VARIATIONS IN EMPLOYMENT EIGHT LEADING INDUSTRIES SUMMER AND WINTER

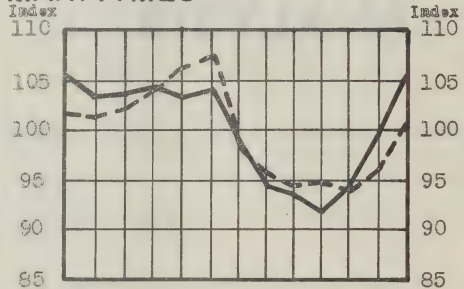
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———— Seasonal Index 1938-39
----- Seasonal Index 1946-49

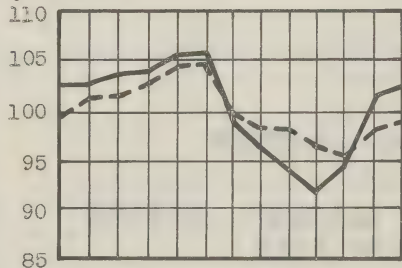
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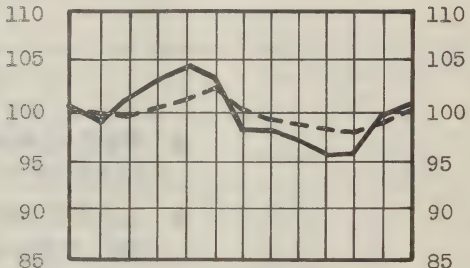
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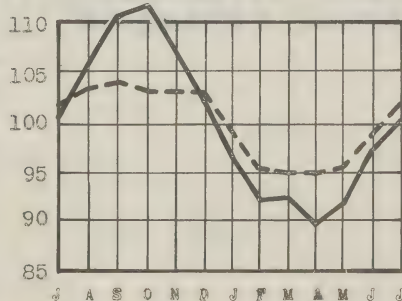
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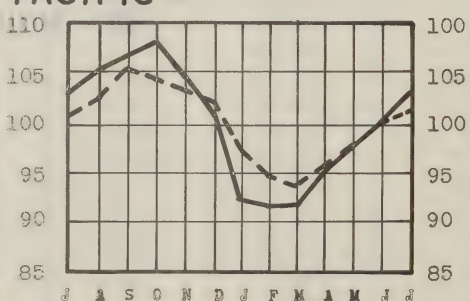
ONTARIO



PRAIRIE



PACIFIC

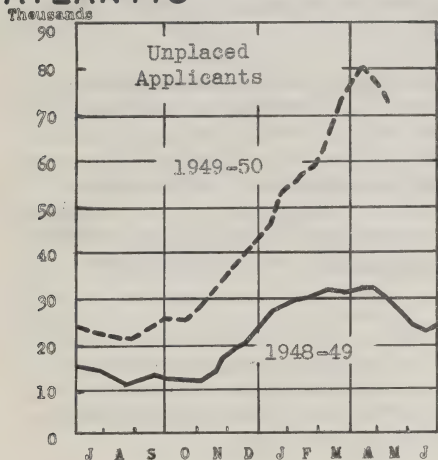


Source: Employment and Payrolls Branch, D.B.S.

M.5-K.1

Note: A twelve-month moving average method was used in the calculation of these seasonal patterns. Eight leading industries covered; manufacturing, logging, mining, communication, transportation, construction and maintenance, services and trade.

REGIONAL LABOUR MARKET ATLANTIC



During April, the Atlantic region employment picture improved slowly as farming and construction activity revived, fishing improved and seasonal manufacturing opened up or increased production. Other manufacturing remained relatively stable. Trade and transportation were generally quiet, the latter as a result of the opening of St. Lawrence navigation and continued highway load limits.

Good landings were reported by the Newfoundland bank fleet that sailed during the month and by the Halifax deep sea fleet. The desire to accumulate unemployment insurance entitlements against the possibility of another difficult winter appears to have led many Newfoundland fishermen to seek insurable employment ashore.

Although the log drive was under way or impending in northern New Brunswick, small logging operators lost heavily as floods swept away thousands of feet of logs. Drive crews there, and in the Fredericton, Woodstock and Minto areas, were hired for salvage operations that are expected to be expensive and only partially successful. The outlook for the summer pulpwood cut in northern New Brunswick is very good. Flood losses, coupled with steadily high prices, are likely to increase cutting activity.

Coal mining operations in the Sydney and New Glasgow areas were generally at capacity during the month, interrupted in the latter area by an explosion in the Allen Shaft that began a shut-down of at least three weeks, laying off about 450 miners. In Minto, strip mining was suspended on account of flooding, and shaft mining returned to short time as orders fell off. The prospect of confirmation of the recently-announced United Kingdom ore contract persuaded many Bell Island iron miners to postpone job seeking on the mainland, although a number have already made this move.

The excellent outlook for construction in many parts of the region had a buoyant effect on conditions generally during April and has been enhanced by flood damage in New Brunswick.

Shortages of some construction skills appeared in Halifax and Moncton, and may occur in the Sydney and Saint John areas as well. Construction materials producers in the Truro and Saint John areas increased employment and output; sawmills and woodworking plants in northern New Brunswick, Amherst and Bridgewater were particularly active, supplying both domestic and export demand.

Among other manufacturing, the Sydney steel industry continued capacity operations during the month and orders for railway cars and coal mining machinery were received by steel plants in the New Glasgow area. Textile producers in Truro and the Fredericton area increased production but some short-time work appeared in the sugar refinery in Saint John and the textile mill in Yarmouth. The footwear establishment in St. John's re-opened during April, and it is reported that Bowater's sulphite mill in Corner Brook may resume operations shortly.

The Halifax port season ended in a spurt of activity that employed more than at any time during the winter. Port activity in Saint John declined considerably with the opening of St. Lawrence navigation, which, together with continued highway load restrictions, kept transportation activity in general at a low level.

Although retail trade was generally quiet, and below last year's level in some areas, the impending Provincial sales tax gave impetus to activity in some New Brunswick centres. Sport fishing in the Newcastle area was attracting fishermen from all parts of the continent, and proving to be a valuable supplement to the normal tourist trade, for which the outlook throughout the Maritimes is very encouraging.

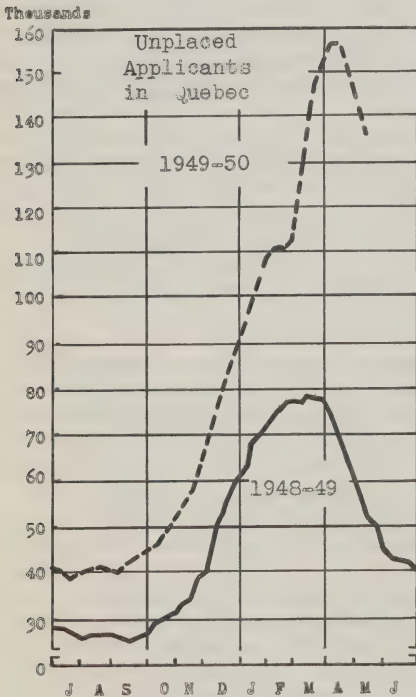
QUEBEC

The cumulative effect of improvements in employment in seasonal industries and in some segments of other manufacturing occasioned a reduction of about 7,000 in the numbers registered for work with National Employment Service offices in Quebec during the last week of April, although adverse weather delayed the logging drive and retarded the upswing in farming and construction. Soft spots in the manufacturing picture were heavy iron and steel, secondary textiles and leather products, in which considerable short-time continued or developed during the period, and some lay-offs occurred. Retail trade was generally quiet, and below last year's level in many areas; preparations for the tourist season were absorbing numerous service workers.

In the footwear industry in Montreal, workers were

generally on short-time during April, a situation that also existed in the leather products industry in Three Rivers, the Eastern Townships manufacturing centres and Quebec City. There was little sign of improvement in most secondary textiles manufacturing in these areas, although some lingerie and dress producers returned to full-time operations. Non-ferrous metals and pulp and paper manufacturing in Three Rivers, Shawinigan Falls and the Saguenay-Lake St. John district employed increasing numbers.

The outlook for construction in Quebec is varied with high-level activity and employment especially in the Montreal area and Hull;



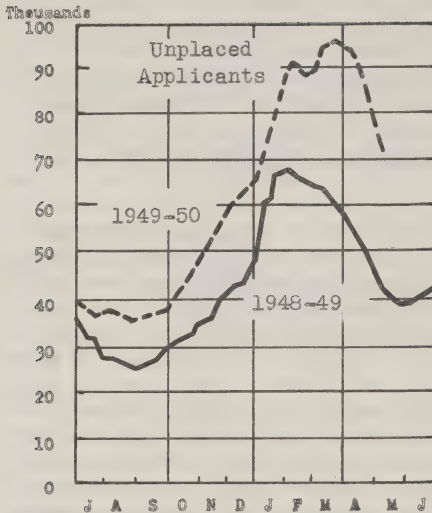
Buckingham and the northern mining centres are among those predicting average to good construction activity. The annual exodus of farmers from mines in Rouyn and Val d'Or is not likely to occasion any general shortage of mine labour this year; and prospecting and mining, both metallic and non-metallic, showed increasing or steady high-level activity.

Hiring for the river drive was under way in the Three Rivers-Shawinigan Falls-La Tuque and Quebec City areas, while about 1,000 loggers were already employed on the streams around Matane, where fishing had begun, with good catches and prices indicating a profitable season providing considerable employment. Cutting in the woods around Quebec City is expected to continue for several weeks; but the supply of loggers available for woods work in northern Maine increased considerably despite the improbability of large numbers being called, since the

log drive in the Sherbrooke area will employ relatively few.

The opening of navigation on the St. Lawrence brought increased employment on the waterfront in Montreal and Three Rivers, where an active season is foreseen. In Quebec City, where port activity did not increase significantly during the month, there was a substantial surplus of seamen. Agricultural employment picked up around Montreal, but Buckingham was the only area to report advanced progress in ploughing.

ONTARIO



Seasonal activity in construction and agriculture boosted general employment during April. The upswing was slower than usual this year, however, since cold wet weather hampered the outdoor industries to some extent.

The gentle improvement in manufacturing continued during April. General industrial production was at a relatively high level--iron and steel, pulp and paper, and the automobile industry were working at capacity, and plant expansion continued in many areas. A few soft spots remained however, and were not expected to strengthen for a few weeks. Manufacturers reported that many large buyers were reluctant to place their customary commitments at current price levels, and this development applied particularly to the slow-moving inventories of quality products in the higher price brackets.

In heavy metal industries, greater emphasis was being placed on cost reduction, as a result of increasing and competitive imports from England and other European countries. This trend was evident in Toronto, Hamilton, and Welland, where firms were streamlining their technical personnel with a view to the most efficient production methods. In areas such as St. Catharines, Niagara Falls, Brantford and London, the effect of cost reduction has appeared chiefly in more marked seasonal fluctuations of employment as in the pre-war period.

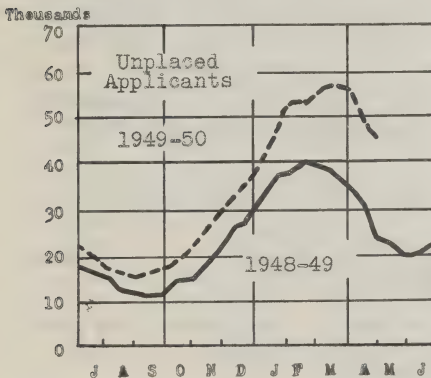
The automobile industry at Oshawa continued at capacity production, and further industrial expansion is scheduled for this year. In Windsor, the settlement of a dispute in one major company prevented strike action; the lay-off by another large producer continued throughout April as a result of the strike effecting its parent company in the United States, which was settled early in May. In this area also, the industry planned a long-range program of development and expansion.

Construction was slow in starting because of unfavourable weather, but the 1950 program will exceed last year's record in many areas. Full employment for all tradesmen and a large volume of employment for labourers and helpers is expected in Toronto, Oshawa, Windsor, London and Kitchener-Waterloo; in Toronto a shortage of

bricklayers was already established.

The weather delayed farming operations, but towards the end of the month work was under way in most areas. There were no surpluses of farm labour reported, and in London, Hamilton, Oshawa and St. Catharines there was a shortage of suitable applicants.

PRAIRIE



Spring seeding operations were delayed and interrupted throughout the region during April by heavy rains, and construction activity was similarly affected. The expansion of employment was therefore less rapid than usual at this time of year, although labour demand was increasing markedly towards the end of the month.

Floods in Manitoba areas held up all operations in the southern section, and spring work will not be well under way until much later than usual. In

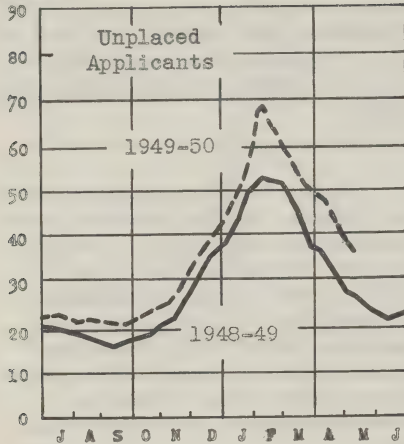
Saskatchewan, weather was delaying full-scale seeding operations but farm labour demand was quite heavy; a backlog of orders was building up in the Saskatoon and Regina N.E.S. offices, but in other districts orders were filled quite promptly. In several areas of Alberta, fully experienced and skilled men were becoming scarce.

In the Lakehead area, logging activity was in its usual slack state preceding the river log drive, which was due to start in May. Spring cutting of pulpwood should begin about the same time, when 2,500 men will be required for the work. Mining operations and exploration work were absorbing men rapidly in this area. Fort Frances reported the season's first shipment of iron ore with the opening of navigation; manpower requirements will be heavy in this section shortly but housing accommodation is currently taxed to the limit; however, a housing project is now under construction.

In the western sector of the region, many coal mines continued on short-time operations because of the seasonal slackness of orders. The oil exploration and drilling program was gaining even greater momentum. The large pipe line project has begun, but is progressing slowly because of difficult weather conditions; less labour will be required than formerly anticipated. The season's general construction program has not yet begun on any large scale, but full employment of the construction labour force is expected this season.

PACIFIC

Thousands



The number of workers returning to jobs in this region, has increased markedly, particularly during the last week of April. The logging, construction and fishing industries were expanding rapidly, and absorbing seasonal workers in all areas.

In the logging industry, all low level operations are now fully operative, but at higher levels snow still remains and road conditions continue poor. On Vancouver Island, at Port Alberni, Nanaimo and Duncan, camps were working at capacity. Logging in the Queen Charlotte Islands and at Prince Rupert was in full swing. In the Northern Interior, notably in the Prince George area, the usual spring

shutdown was in force because of provincial road restrictions; all camps were due to re-open early in May as soon as road conditions permitted. Snow, the late spring and road restrictions were still hampering full operations in the Southern Interior.

Lumber prices are firm and orders are plentiful. Export orders to the United States were increasing. Logs were in great demand at sawmills and shingle mills, and mills which do not own their own logging camps, were finding it difficult to obtain a sufficient log supply in some cases. Towing conditions were poor in the Vancouver area, but there was a general improvement in the log supply towards the end of the month.

All branches of the mining industry were showing renewed activity. Base metal mines continued in full production, and development of new properties was progressing. Gold placer mining was well under way and shipment of miners into the Yukon for the season was proceeding well. Oil drilling operations were starting near Prince George, but labour demand in this connection was light so far.

Construction was expanding rapidly, despite not too favourable weather, and labour demand rose steadily. A season of full employment was expected throughout the region, particularly in the Prince George, Lower Mainland, Port Alberni and Victoria areas. The opening of the halibut fishing season further stimulated the improvement in regional employment.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I--Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for April and May of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio [*] May 1 1950	Group Rating		
		May 1 1950	Apr. 1 1950	May 1 1949
<u>Population of 100,000 and over</u>				
Quebec.....	19	II	II	III
Windsor.....	12	III	III	III
Vancouver.....	11	III	III	III
Winnipeg.....	10	III	III	III
Montreal.....	7	III	III	IV
Hamilton.....	7	III	III	IV
Calgary.....	7	III	III	IV
Victoria.....	7	III	III	III
Ottawa.....	6	III	III	III
Edmonton.....	6	III	III	IV
Toronto.....	4	IV	III	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	24	II	I	II
Fort William and Port Arthur.....	22	II	II	III
Saint John.....	14	III	III	III
Halifax.....	11	III	III	III
Regina.....	5	III	III	IV
London.....	3	IV	IV	IV
Kitchener.....	2	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	41	I	I	II
Shawinigan Falls.....	31	I	I	III
Hull.....	25	I	I	II
Sherbrooke.....	18	II	II	III
Three Rivers.....	17	II	II	III
Brantford.....	7	III	III	III
Kingston.....	7	III	III	IV
Oshawa.....	6	III	III	III
St. Catharines.....	6	III	III	III
Peterborough.....	6	III	III	IV
Sault Ste. Marie.....	5	III	III	IV
Saskatoon.....	5	III	III	IV
Sudbury.....	5	III	III	IV
<u>Population of under 25,000</u>				
Pictou - New Glasgow.....	33	I	I	II
Amherst.....	28	I	I	III
Sorel.....	22	II	I	II
Valleyfield.....	19	II	II	III
Welland.....	15	II	II	III
Niagara Falls.....	7	III	III	IV
Trail.....	5	III	III	IV

* These ratios are computed on the basis of unplaced applicants data, which include claimants for supplementary benefits.

EMPLOYMENT EFFECTS OF INDUSTRIAL EXPANSION

Industrial expansion projects during the first quarter of 1950, as indicated by contracts awarded, was at a level comparable to that in all previous postwar years except 1949. The total value of industrial contracts in the three month period was \$28,000,000. Last year's first quarter total was unusually high at \$53,000,000 due to the fact that four of the largest contracts let during the whole year were concentrated in the first quarter. It is expected that industrial investment will show a decline from 1949 over the twelve-month period but not of the order indicated by first-quarter contract data.

Industrial expansion in the petroleum industry represented a very high investment in the first quarters of both 1950 and of 1949. Construction will soon be well underway, both on the new Imperial Oil Ltd. refinery at Winnipeg, Manitoba, and the new McColl-Frontenac Oil Co. refinery at Edmonton. The Imperial Oil refinery will employ about 175 workers with no estimate as yet available for the McColl-Frontenac project. Construction of the new British American Oil Co. refinery at Edmonton will probably commence in the near future; this refinery will employ about 165 workers. The new Shell Oil Company of Canada, Limited refinery at Montreal may be completed late in 1950, and this plant will require from 150 to 200 new workers. These plants represent an investment of about \$45 million and job openings are light because of the nature of the industry. The construction of pipelines for this industry will mean high investment, and an important source of construction employment in 1950.

Expansion of hydro-power supplies, and increased electrification of rural areas, has created a heavy demand for both hydro-plant and domestic equipment. The Canadian General Electric Co. Ltd. completed extensions at Toronto, and Barrie, Ontario to employ a total of 100 new workers. The Minneapolis-Honeywell Regulator Co. Ltd. at Toronto, manufacturers of control systems and instruments, completed a plant extension and hired forty-five workers.

The planned completion of television transmitters in both Toronto, and Montreal late in 1951, will pave the way for expansion in Canadian television firms. The Canadian Admiral Corporation a subsidiary of one of the largest television firms in the U.S.A., has already announced intentions to expand output by 50 per cent. Another new Toronto firm, Capital Television Ltd., a subsidiary of Capital Television Ltd. New York, N.Y., will enter the Canadian market in the near future. Two other firms, Pye Canada Ltd. at Ajax, Ontario, and Transvision-Television (Canada) Ltd. at Hamilton, are also equipped to participate in the development of the television industry in Canada.

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION (1)

- Second Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Atlantic</u> Aylesford, N.S.	Annapolis Valley Peat Moss Co. Ltd.	Non-metallic minerals	75x
<u>Quebec</u> Hull	Primco Ltd.	Non-metallic minerals	20
Montreal	Electrical Products Mfg. Co. Ltd.	Electrical apparatus	100
	Provincial Metal Strip Co. Ltd.	Iron and Steel products	4
	Vapor Car Heating Co. of Canada, Ltd.	Iron and Steel products	30
	Workman Bag Co.	Textiles	20
<u>Ontario</u> Barrie	Canadian General Electric Co. Ltd.	Electrical apparatus	40
Hamilton	Canadian Aniline & Extract Co. Ltd.	Chemical products	12
London	Jackson's Bakeries Ltd.	Food & Beverages	30
Toronto	Canadian General Electric Co. Ltd.	Electrical apparatus	60
	Minneapolis-Honeywell Regulator Company Ltd.	Electrical apparatus	50
Windsor	Nickleson Tool and Die	Iron and Steel products	10
<u>Prairies</u> Lethbridge	Lethbridge Sash & Door Factory	Wood products	10
Winnipeg	Osborne Foundries	Iron and Steel products	10
	Selkirk Metal Products Ltd.	Iron and Steel products	12
	Systems Equipment Ltd.	Paper products	10
<u>Pacific</u> Vancouver	Alliance Ware, Ltd.	Iron and Steel products	20

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

(x) Work carried out during summer and fall seasons only.

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR
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FEATURE ARTICLE.....
Government
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The Outlook for
Farm Labour, 1950

Volume 7

Number 6

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CANADIAN LABOUR MARKET

Economics and Research Branch

Department of Labour

authorized by

Hon. Humphrey Mitchell, Minister

and

Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

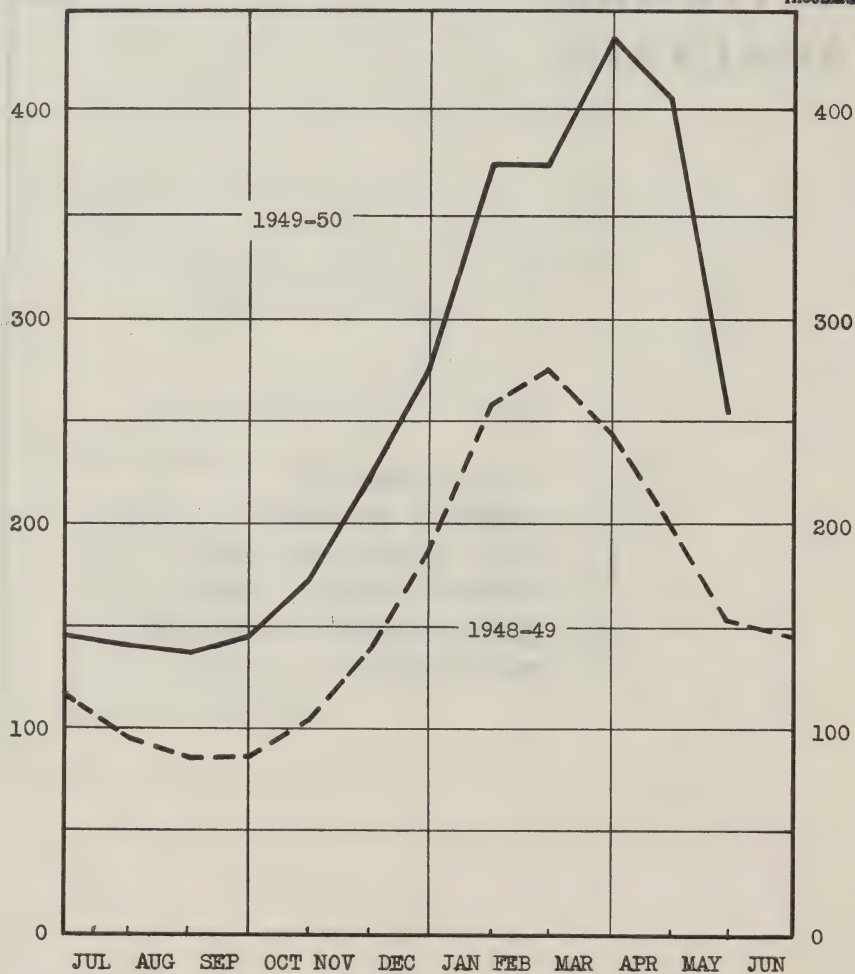
NATIONAL ANALYSIS.....

- ▲ THE CURRENT
LABOUR MARKET
- ▲ THE OUTLOOK FOR
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- ▲ EMPLOYMENT SERVICE
ACTIVITIES

UNPLACED APPLICANTS IN CANADA JULY 1948 TO DATE

THOUSANDS

THOUSANDS



THE CURRENT LABOUR MARKET

During May and early June, there was a marked increase in seasonal activity, with a corresponding decrease in the number of applications for work at National Employment Service offices. All regions shared in the decline, although it was more rapid in Quebec and British Columbia where the largest increase took place in the winter months. Improvement was delayed somewhat in the Prairies because of the Winnipeg flood and in Newfoundland because of the uncertain market for fish.

The signposts along the way point to a summer equal to last year's in prosperity for the average working man. While agriculture, construction and forestry operations are providing most of the new jobs, improvement was general in the whole economy. Manufacturing employment was increasing also, as industries producing foods and beverages, lumber and other construction materials were moving into their active periods. Short-time work and periodic lay-offs were also much less in evidence than in the winter months.

Shortages of farm labour, especially of experienced help, were already appearing in some areas, although the supply of farm workers was in better balance with demand than at any time since 1939. With the greater variety of jobs now available, many job-seekers were reluctant to accept farm work. River driving and saw-mill operations were attracting large numbers of workers; many woodsmen were being hired for summer cutting which promises to be more extensive than last year.

Building tradesmen were being recalled to construction work in large numbers. The volume of work under way was not yet sufficient to absorb all the semi-skilled and unskilled workers seeking employment, but these will be gradually hired as the industry reaches peak production. The amount of building, as indicated by the value of contracts awarded, will exceed even last year's record level.

Workmen this summer will likely be receiving average weekly wages that are slightly higher than the ones paid last year. The last statistics available show that at April 1, average weekly salaries and wages in the eight leading industries were \$44.87, slightly more than 3 per cent higher than at the same time last year. When the increased cost-of-living is taken into account, "real" weekly wages increased slightly less than money wages, but they still are far above those in the pre-war years.

CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	June 1	254,530	-34.3	-	-
Per cent of Labour Force.....	June 1	5.0	7.6★	3.2	-
Per cent of paid workers.....	June 1	7.5	11.4★	4.7★	-
Ordinary live claimants	June 1	146,453	-30.2	+52.8	+47.6
Per cent of insured population..	June 1	5.6	8.1★	3.9	-
Per cent of unplaced applicants.	June 1	57.5	54.2★	61.9★	-
Amount of benefit payments.....	May	\$9,586,658	-15.6	+74.0	+61.6
Index of Employment (June 1, 1941 = 100)	April 1	122.9	+ 0.6	0.0	- 1.0
(Eight leading industries)					
Immigration.....	March	5,801	+17.0	-36.7	-37.8
<u>Earnings and Income</u>					
Total labour income.....	March	\$633,000,000	+ 1.3	+ 4.5	+ 3.3
Average weekly salaries & wages (Eight leading industries).....	April 1	\$44.87	+ 0.3	+ 3.5	+ 3.1
Average hourly wages (mfg.).....	April 1	\$1.018	+ 0.4	+ 3.7	+ 3.8
Average hours per week (mfg.)....	April 1	42.8	+ 0.7	- 0.2	- 1.1
Average weekly wages (mfg.).....	April 1	\$43.57	+ 1.1	+ 3.4	+ 2.8
Cost of living index (Av. 1935-39 = 100)	May 1	164.0	0.0	+ 2.8	+ 2.2
Real weekly wages (Mfg. Av. 1946 = 100)	April 1	108.7	+ 0.9	+ 0.6	+ 0.8
<u>Industrial Production</u>					
Total (Av. 1935-39 = 100)	April	192.5	+ 0.8	+ 4.2	+ 3.3
Manufacturing.....	April	201.6	+ 0.6	+ 3.8	+ 2.2
Non-durables.....	April	184.1	+ 0.8	+ 2.8	+ 1.8
Durables.....	April	231.5	+ 0.5	+ 5.2	+ 2.9
<u>Industrial Relations</u>					
Strikes and lockouts-days lost...	May	23,874	+63.1	-86.3	-75.6

★ These figures are the respective percentages for the previous month and for the same month last year.



THE OUTLOOK FOR FARM LABOUR, 1950

During the past year, the labour shortages which characterized the Canadian labour market in the postwar period have given way to a condition where the supply of workers is in

better balance with the need. This change has been evident in agriculture but to a lesser extent than in most other industries. While the number of workers available this spring was nearly equal to the requirements, a farm labour shortage is anticipated at harvest time, when many more are needed.

The volume of effective demand for farm help has been reduced by a number of developments, some of which have been evident for several years. A large number of the vacancies existing have been filled by immigration and by the growing availability of local labour. High labour costs and the greater use of machinery have also cut labour demand. This year, due to uncertainties regarding prices and markets, farmers were unwilling to make commitments for future labour requirements until spring. Consequently, demand for labour was concentrated in May and many farmers were unable to secure the help they required.

The supply of labour interested in farm employment has been limited by relatively low wages and by working conditions which are considered by many workers to be less attractive than those in many other industries. Many farm workers also have shown a preference for work in industries covered by unemployment insurance, such as construction and logging.

On the whole, there is a better balance between the demand for and the supply of farm labour than at any time since the early war years but a position of equilibrium has not yet been reached. It will be necessary during 1950, therefore, to continue to supplement the farm labour force through immigration, although the number of persons involved will be fewer, and to carry out organized shifts of workers from one area to another to harvest the various crops.

(1) This article was prepared with the co-operation of officials of the National Employment Service.

Within this broad picture of the farm labour situation, there are considerable variations within the five major regions in Canada, as well as by local area. A more detailed regional summary follows:

Regional Outlook

In the Atlantic region, the demand for farm labour is reported as a little lighter than last year, although no great change was noted in any area of the region during the year. The supply of experienced farm labour is still limited but no real shortage is anticipated in this region for 1950.

The supply of farm workers in Quebec was adequate during May, since the season was late in starting, but, as more jobs became available, there were fewer applicants interested. A part of the labour surplus which existed in the early spring has been diverted into woods work, both in Canada and the United States. As the season progresses, shortages of farm labour are expected which may result in a greater demand for immigrants.

Shortages of suitable farm workers existed in some areas of Ontario during the spring months, in spite of the late season. The large number of unemployed in winter months of 1949 and 1950 has not produced many applicants for farm work, although many of these undoubtedly have farm experience. For harvest work, farmers are counting on assistance from workers from the Maritime and Prairie provinces. The orders placed for Displaced Persons, are on the whole lighter than last year, although a large number of requests have been received from certain areas, especially for sugar beet work. Plans are being made for the movement of Newfoundlanders to Ontario to engage in year-round farm work. A trial movement of 10 Newfoundlanders was made in May and these men have proved sufficiently satisfactory to encourage a larger movement of some 200 men.

Farm work in Manitoba is not expected to be seriously limited by labour shortages in the coming season. The majority of hirings are for the growing season, with about one-third terminating at the end of spring and the balance at the freeze-up. A temporary surplus developed after the completion of spring work but some of these workers have shown a preference for summer work in other industries. Although work has been delayed in the Red River Valley by flood conditions, the supply of labour in the province on the whole has been adequate to meet the demand.

Farm labour in Saskatchewan is in short supply this year, although this shortage did not reach serious proportions during seeding time. There will be a definite need for farm workers from outside the province for the harvest. One reason for the shortage has been the continuing exodus of young men for Saskatchewan farms, many of whom have gone to Alberta and British Columbia.

No shortages of farm help are anticipated in Alberta, except during the harvest season. The usual movement of farm workers throughout the province, together with the supply of men drifting into Alberta and those brought in by organized movements, are counted on to bridge any gap between demand and supply. A shortage may develop in the beet areas since some growers underestimated their requirements and did not place their orders for Dutch workers and Displaced Persons in time for them to be brought to Canada to help in this work.

The fruit crop in British Columbia this year will be smaller than in previous years and labour requirements will be reduced. It is likely, therefore, that the supply of labour available within the province will be adequate. As in the past, a large number of workers are expected to move into the Okanagan and Fraser Valley from other parts of the province to assist in the picking and packing of the crop. The organized movement of berry pickers from Alberta and Saskatchewan, which has been carried out in previous years, may not be necessary. In dairy farming, experienced year-round workers are still scarce and men capable of handling large herds of pure-bred cattle can readily find employment.

Measures to Offset Labour Shortages

With more help available for year-round work, the chief farm labour problem during the 1950 season will be the recruitment of enough workers for the harvest. Immigration is a possible source of supply, but this type of worker is generally brought in for steady work and not to meet a temporary shortage. In the main, therefore, this year's peak labour requirements in agriculture will have to be met by utilizing domestic labour to the greatest possible extent.

There is some indication that more farm workers are moving between areas on their own initiative and this will assist in alleviating local shortages. In addition, organized movements of workers will be carried out within the various provinces and between provinces under the Dominion-Provincial Farm Labour Agreements. For some crops, labour requirements can be met locally and fewer organized movements will be necessary than in the early postwar period.

1. Immigration of Farm Workers, 1950.

Immigration of farm workers to Canada has been of two main types: those coming in under organized group movement plans, mainly people from Displaced Persons Camps in Europe; and other immigrants such as individual sponsored cases, including Dutch farm workers and British and French immigrants. Since requests from farmers for Displaced Persons have been lower this year, the group movements will involve fewer persons. Although there is some indication that farmers have underestimated their requirements, it appears that in most areas the absorptive capacity of agriculture in regard to Displaced Persons has nearly been reached. It is not possible to make any estimate of the number of



On modern Western wheat farms, combines are used for grain harvest

N.F.B. Photo

immigrants for farm work who will arrive from sources other than the Displaced Persons group movement.

Most farmers continue to show a preference for immigrants who are single men. Requests for couples and families have always been low and this year are fewer in number than in 1949. Farm domestics are still needed, however.

One section of agriculture in which the demand for Displaced Persons remains high is in the sugar beet industry, where requirements are only slightly below last year. In Alberta, applications for workers received up to the first of June totalled about 650, as against 775 during 1949. The bulk of the requests for Displaced Persons received in Manitoba are from sugar beet growers. In Ontario, over 100 Displaced Persons were brought in during May for sugar beet work. Sugar beet blocking in Quebec this spring was done by the transfer of labour within the province, with nearly 1,000 workers involved.

Dutch immigrants, who have fitted into the Canadian agricultural picture quite well, will continue to enter Canada in large numbers in 1950. Some 20,000 Dutch people have come into Canada since the Canada-Netherlands farm settlement plan was begun three years ago. Another 10,000 are expected this year.

2. Organized movements of workers within Canada.

The inter-provincial movements of farm labour, which are organized under the direction of the Dominion-Provincial Farm Labour Committees will be carried out again in 1950. These Committees are composed of officials of the Department of Labour and the various provincial governments. The principal features of the two main movements this year are summarized below:

Haymakers to Ontario: This movement was under way in June with the main body of the workers coming to Ontario from the Maritimes and Prairie Provinces after June 20. About 1,000 workers were requested by Ontario farmers but it is doubtful that this number will be obtained. The scarcity of farm labour and higher wages in the West are restricting factors in recruiting men and in the Maritimes the labour surplus had nearly disappeared by the end of June, as woods work was becoming very active.

Wages to be paid are a matter of individual negotiation between the farmer and the worker and, although a minimum of \$75.00 per month plus board is set, a good worker may receive from \$10.00 to \$15.00 more than this minimum.

Harvesters to Western Canada: The number of applications received from Western farmers for Eastern harvesters this year may reach as high as 2,000, depending on crop prospects. Last year, 975 workers were

sent, but some difficulties were experienced in obtaining men to participate in the organized movement, although many made the trip on their own. A similar situation may occur this year.

A breakdown of the requirements by the three provinces, as estimated at June 1, indicates that about 200 will be needed in Manitoba, upwards of 800 in Saskatchewan, and from 400 to 800 in Alberta. The flooded areas of the Red River Valley normally use few harvesters from the East.

The harvest in the Prairies commences after the main harvest in the East is finished and consequently the workers who came to Ontario will be returning to the Western provinces and these will be supplemented by local labour supplies.

Intra-provincial movements: In addition to the movements between provinces, a number of organized movements are carried on within each of the five major regions. Six movements are planned in the Maritimes and sufficient labour is expected to be available within the region to meet the demands. These six movements, together with estimates of the number of workers required in each, are as follows:

- 1) Strawberry pickers-400.
Estimated requirements by area are:
Moncton, 250; Minto, 50; Sussex, 50; and
Truro, 50.
- 2) Haymakers to Prince Edward Island-50 to 75.
These men are to be drawn mainly from Cape
Breton Island.
- 3) Blueberry pickers, St. Stephen, N. B.-300.
These workers will be recruited in southern
New Brunswick.
- 4) Apple pickers, Kentville, N.S.-200.
All to be drawn from within the province.
- 5) Potato pickers, Prince Edward Island-1,000.
These will be obtained from New Brunswick
and Nova Scotia.
- 6) Potato pickers, New Brunswick-300.
To be recruited in New Brunswick only.

Similar movements will be carried out within other regions as required. In British Columbia, local labour is expected to be sufficient to harvest the crop this year. It may be necessary, however, to move workers from the Okanagan into the Fraser Valley for the strawberry crop. In the Prairies, local movements of workers will provide an important source of supplementary labour for the grain harvest. Last year, 75 per cent of the additional workers obtained in Saskatchewan came from within the province, particularly from the drought areas. In Ontario, additional labour for harvest work is obtained by a number of methods, such as

the organization of day-by-day work forces in the Toronto area, the operation of Farm Service Force Camps, and the Farm Commando Force.

Little information is presently available on the extent of the organized movements of farm workers between Canada and the United States which will take place this summer and fall. The largest movement, and one which goes on every year, is that of American tobacco workers in Ontario. In 1949, 2,144 border-crossing permits were issued for this work; of which 1,671 were for curers and 473 for primers. The movement of Canadian potato pickers to Maine involved about 1,300 workers last year, but the number taking part in this year's movement will depend on the availability of labour in the New England area. The workers participating in this movement come from nearby Quebec and New Brunswick areas. Other international movements include beet and potato workers to Montana, and potato pickers to North Dakota, from the Prairie provinces.

Farm Wage Rates, 1950

Farm wage rates have not shown the same advance in the past year as have those of other industries. As a result, wages are becoming increasingly important as a deterrent to the entry of labour into this industry. This has been intensified by the recent extension of the Unemployment Insurance Act to the logging industry which competes with agriculture for labour. Further wage increase may occur during the year if shortages become more serious, but many farmers state they are unable to pay more money because of reductions in cash income.

Wages currently offered, with board and lodging, vary from \$60.00 to \$100.00 per month. Year-round wages are lower, generally falling within a range of from \$40.00 to \$70.00 depending on the worker's experience, the type of farm and the area. In general, rates are lower in eastern Canada than in the Prairie Provinces and British Columbia. The following is a summary of current wages as estimated by regional officers of the National Employment Service.

Atlantic Region: Very little change has been noted in current rates in the Atlantic region as compared with those of last year, and they are expected to remain unchanged during the harvest season. Within a range of from \$45.00 to \$90.00 per month for single men, the most common going rate was \$60.00 in Nova Scotia and New Brunswick and \$50.00 in Prince Edward Island. Until May, wages were about 5 per cent below 1949 levels but increased at that time, presumably to attract more workers. For special crops, the following rates, plus board, were paid last year and little change is anticipated this year: Prince Edward Island potatoes, \$3.50 per day; New Brunswick potatoes, 14 cents per barrel; haying from \$2.50 to \$3.00 per day; apples, \$2.50 per day.

Quebec: The most common monthly wage for year-round farm workers is from \$45.00 to \$55.00, which compares quite well with 1949 figures. For seasonal labour such as gardeners, wages vary from \$70.00 to \$100.00 per month. For short period work on special crops, wages range from \$6.00 to \$10.00 per day, depending on the workers' ability at piece-work.

Manitoba: The most common wages currently offered are usually from \$85.00 to \$90.00 per month for a single man, about the same as in 1949. A skilled man occasionally receives from \$110.00 to \$125.00 per month. Couples are receiving from \$110.00 to 125.00 per month, with a few being hired on an annual basis for from \$1,200 to \$1,500. Daily rates, chiefly for women, were around \$5.00.

Many farmers offer a bonus for harvest work. This bonus has generally been from \$1.00 to \$1.50 per day for threshing and \$15.00 to \$20.00 per month during the busy season. During the 1949 harvest, wages paid by the day were \$6.00 to \$6.50 for stooking and \$7.00 to \$8.00 for threshing.

Saskatchewan: In the poorer crop areas of Saskatchewan, summer wages are down slightly from 1949 levels, with the good crop areas holding about the same. From \$75.00 to \$100.00 is the most common range, as compared to the winter rate of from \$40.00 to \$70.00. Married couples are being paid from \$100.00 to \$135.00.

Alberta: Alberta rates were approximately the same as those in Saskatchewan, from \$40.00 to \$70.00 in winter and \$75.00 to \$100.00 in summer. Daily rates for the harvest are expected to be about the same as last year-from \$5.00 to \$6.00 for haying; \$6.00 to \$8.00 for grain harvest and \$10.00 to \$12.00 for combine operators.

Beet workers on contract will receive \$41.00 per acre this year on the basis of a yield of 10 tons per acre. Adjustments will be made on the basis of the yield, with a minimum payment of \$37.20 per acre.

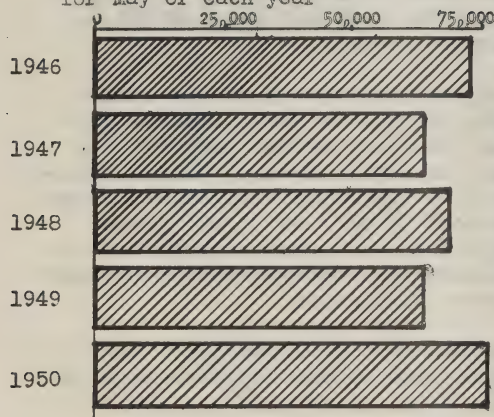
British Columbia: Little or no change is expected in wages during 1950. The piece-work rates for picking strawberries and raspberries in the Okanagan Valley will be 40 cents per crate for strawberries and 70 cents per crate for raspberries, plus additional bonus payments. Common labour receives about 65 cents per hour.

For thoroughly skilled dairy hands, the going rate is from \$75.00 to \$100.00 for single men and \$100.00 to \$125.00 per month, plus house, fuel, light, milk, etc. for married couples.

EMPLOYMENT SERVICE ACTIVITIES

PLACEMENTS

as reported by the N. E. S.
for May of each year



Employment conditions have been improving to such an extent that by June 8, the number of applicants at employment offices were little more than half the number registered at the April 6 peak. Job orders were steadily increasing and, by the end of May, unfilled vacancies for men exceeded the number on file at the same time in 1949. A post-war record for placements was established for the month of May and claims for unemployment insurance dropped decidedly.

By June 8, there were about 240,000 persons registered at employment offices. The decline in applicants was now steady in all regions, although more rapid in Quebec and British Columbia, where the largest increase took place in the winter. Improvement was held up somewhat in the Prairies because of the Winnipeg flood, and in Newfoundland because of the uncertain markets for fish products.

Most of the decline in applicants was in the major seasonal occupations. During May, records at employment offices showed that 30,000 loggers, about 28,000 general labourers, 27,000 construction workers and about 9,000 transportation workers had been placed or found jobs on their own; 70 per cent of the registered persons returning to work during May were registered in these occupations. Unskilled workers were now showing declines comparable to the skilled and semi-skilled.

Many of these workers were channelled back into jobs through the direct efforts of the Employment Service. About 76,000 placements were effected at employment offices during May, with all regions showing decided increases over the previous month. Particularly toward the end of May, hirings through the N.E.S. rose; earlier in the month many employers were recalling former staffs and thus did not report the openings to the local office. More workers were now being transferred from outside areas in order to fill vacancies.

As the younger, able-bodied and experienced worker found employment, the problem of locating jobs for the older worker or the

untrained person became one of greater importance. Employers were making every effort to keep down costs, and applicants were being carefully screened before being accepted into employment. The high standards set for employees tended to force more workers this year into a "marginal" group, which requires a high degree of selective placement. In some cases, applicants were being offered training courses in order to fit them for employment. During May, over 100 applicants commenced training courses on the recommendation of the Employment Service. For the older workers, the problem of finding jobs continued to be difficult. Considerable progress, however, has been made in the placement of handicapped persons. Several offices during May reported outstanding instances of finding jobs for handicapped persons.

The seasonal upswing in activity has also disclosed a relatively large group of women applicants who are not being absorbed into employment. To a great extent, these women are married and, for one reason or another, wish to supplement the family income. While no statistics are available on the number of married women registered, it was reported in the Ontario region that about 75 per cent of all female applicants were married. Employers in many instances are reluctant to hire married women, except when the demand is urgent; with the increased labour supply, requirements seldom reach this stage.

Although the supplementary benefit program concluded April 15, many persons brought into employment offices because of the program will continue to use the Service in finding jobs. About half the 125,000 persons who claimed supplementary benefits were not registered for work before the program began. A large proportion of these were workers in the logging industry, which became insured April 1, and there will thus be an added incentive for these to continue to register with the employment offices. This increase in proportion of the working population serviced by the employment offices tends to make the statistics on applicants a better indicator of unemployment trends than they were a year ago.

Placement Operations of the National Employment Service

Series	Average Weekly		
	April 1950*	March 1950	April 1949
Applications ^X	37,000	51,000	30,000
Vacancies Notified.....	21,000	16,000	24,000
Placements.....	13,400	10,600	14,100
Women.....	4,100	4,000	4,300
Veterans.....	2,500	1,800	2,700
Handicapped.....	180	140	255
Executive & Professional.....	65	60	60

^X Renewals not included

* Latest date for which complete figures are available

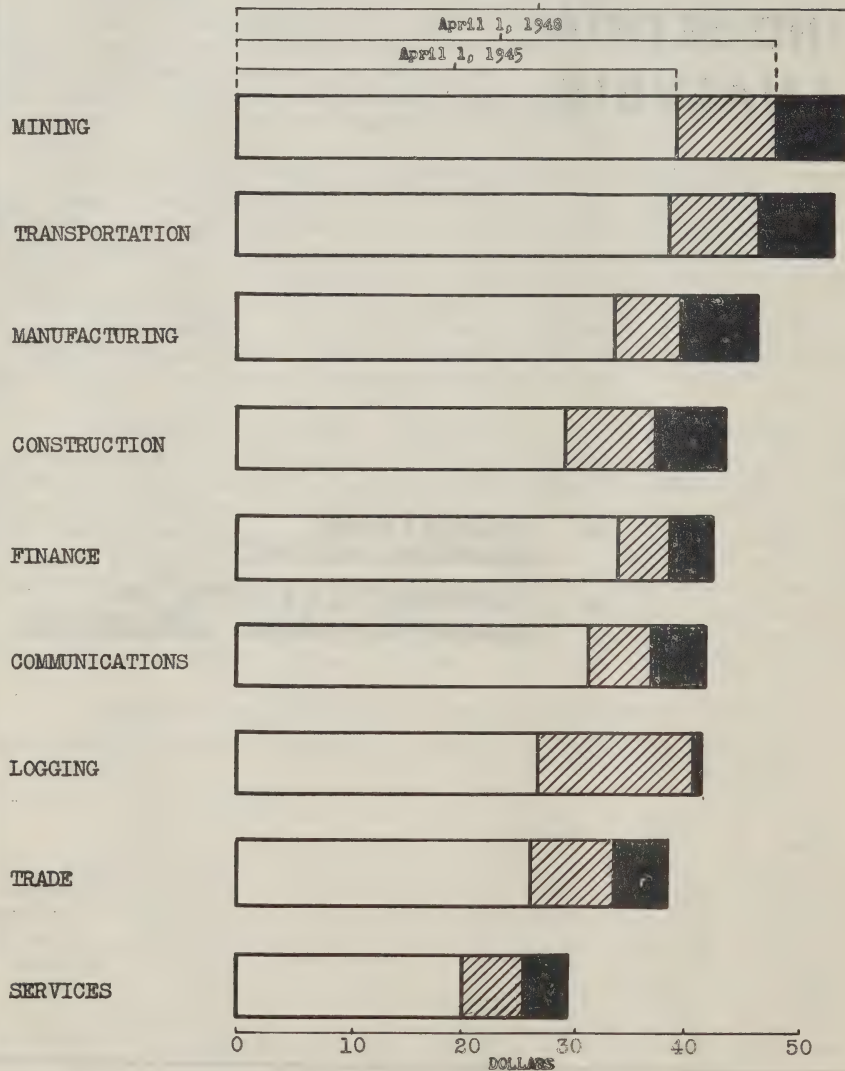
INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL
LABOUR MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

TRENDS IN INDUSTRIAL EARNINGS

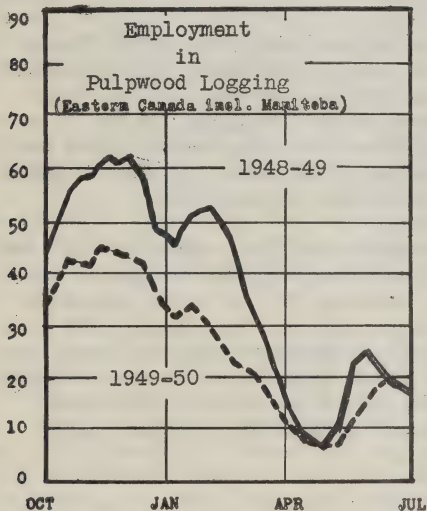
1945 - 1950

- Average Weekly Earnings -
April 1, 1950



INDUSTRIAL LABOUR MARKET LOGGING

Thousands



as reported by Canadian Pulp & Paper Association

ust. In the Lakehead region, experienced cutters for pulpwood operations were already scarce in May; some operators' camps were only partly staffed; others were unopened. During the month, about 2,500 woodworkers from the province of Quebec were given employment in Maine. In the Maritimes, dry weather permitted an earlier start at cutting operations, although forest fires restricted activity, both in sawmill and logging operations. A contract with the United Kingdom for 97 million feet of spruce lumber and strong demand from the States has greatly increased activity in the Maritime lumber industry.

Employment and production in the British Columbia forestry industries were also back to normal in May, after a slow recovery from the severe winter. A shortage of skilled men, such as engineers, fallers and riggers, was reported and suitable unskilled workers were being hired on occasion. Lower labour turnover was reported this season than in previous years. Because of these labour shortages, the British Columbia lumber industry sent representatives to the Maritimes during May to recruit loggers for permanent jobs in the woods. Wages offered in the industry are reported as the highest in any basic industry in Canada, the lowest wage being \$1.08 per hour.

During May, in the forestry industries, river driving and sawmill operations absorbed large numbers of workers. This, together with the opening up of agricultural activity, greatly reduced unemployment among the large group of workers in Canada from which both these industries draw their labour. The spring thaw was late this year and as a result, log driving did not get under way until well into May in most areas.

In addition to requirements for the drive, labour was in demand for summer cutting and cruising parties. More summer cutting is being carried on this year and full employment among woodsmen is expected until August.

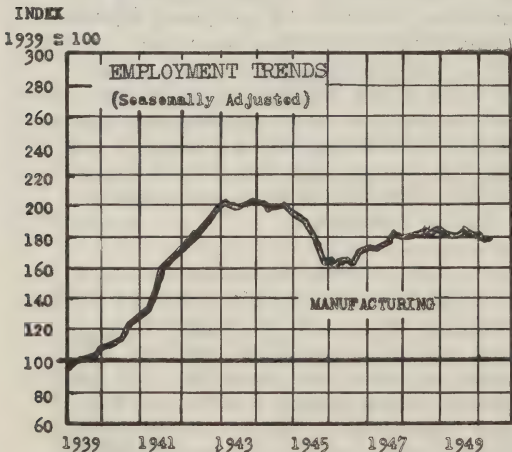
AGRICULTURE

Shortages of farm labour appeared during May, although the supply of farm workers this year was in better balance with the demand than at any time since 1939. Experienced farm workers, especially men familiar with farm machinery, were required particularly and shortages of this type of worker were most in evidence.

With the spring increase in job opportunities in other industries many job-seekers were reluctant to accept farm work. A preference was being indicated for employment in occupations covered by the Unemployment Insurance Act, such as construction and logging. In the Prairie region, large numbers of men were being hired for construction work and in the Quebec and Maritime regions experienced farm workers were accepting employment for the spring logging drive and pulpwood cut.

The first of the organized movements of farm workers, that for the sugar beet industry, began in Ontario during May and in Quebec during the first week of June. In Quebec, between 800 and 1,000 men were needed for beet blocking and were recruited mainly from Beauce, Dorchester and Frontenac counties. Orders for haymakers from the Maritimes and Western Canada were being placed at local Employment Service offices in Ontario during May. Requests for immigrants to work on farms are lower than last year, but there is some indication that farmers have underestimated their labour requirements.

MANUFACTURING



Aggregate employment in manufacturing establishments expanded during May, as seasonal activities increased in plants producing foods and beverages, lumber and construction materials. Short-time work and periodic lay-offs, which had been very evident in these industries during the winter months, were correspondingly reduced. Despite this seasonal improvement, the total number of workers employed was slightly below 1949 levels. The Dominion Bureau of Statistics index of manufacturing employment at April 1 was 119.2 (June 1, 1941=100), as against 120.8 one year

previously. The following summaries show the employment situation in some of the individual manufacturing industries.

Iron and steel: The declining trend of employment in the iron and steel industry, in evidence since early in 1949, is continuing. Reported employment was 279,000 at April 1, nearly 7 per cent below 1949 levels. This decline from the previous year was common to all sections of the secondary industries, with the exception of plants producing automobiles and parts, but was most marked in the case of agricultural implements, shipbuilding, foundries and machinery manufacturers. Primary steel production, on the whole, has been maintained at capacity, with advance orders for several months.

Pulp and paper: Employment has remained stable in the pulp and paper products industry, with a moderate decline in pulp and newsprint plants balanced by expansion in the secondary paper products and printing and publishing groups. Demand has been strong for newsprint but substantial increases in production as a result of expansion and improvement programs have not been matched by corresponding increases in employment. Reported employment in the three groups at April 1, 1950, was 112,000.

Electrical apparatus: The demand for almost all the products turned out by the electrical apparatus industry has remained strong and the labour force in the industry has expanded over 1949 levels. Sales of household appliances have held up during the first part of the year and the demand for electrical equipment by the construction industry has also maintained employment. The backlog of orders for heavy electrical equipment, however, has been reduced, as the bulk of the orders were placed two to three years ago for hydro-electric power projects. Reported employment in the industry at April 1 was 54,000, about 2 per cent above the figure at the same month in 1949.

Chemicals: The labour force in the chemical industry has continued to expand in the first part of 1950, based on the strong demand for industrial chemicals, paints and varnishes, soap, and cosmetics and similar products. About 44,000 persons now find their employment in chemical plants, mainly in the more industrialized sections of Ontario and Quebec. The productive capacity of the industry continues to expand, with 12 new plants employing 535 workers, reported as completed in the first five months of this year.

CONSTRUCTION

Building tradesmen were being recalled to construction work in large numbers during May as the industry was beginning to get into full operation. Due to unfavourable weather conditions, pockets of unemployment remained in some areas and in general the volume of work underway was not sufficient to absorb all the semi-skilled and unskilled workers seeking employment in construction work. These will be readily absorbed as the industry reaches peak production in the summer months.

The number of construction workers registered at the National Employment Service declined from 60,000 at the first of May to 28,000 at the end of the month. This decrease was distributed among the following main occupational groups.

Occupation	Number of Applications in Live Employment Files	
	April 27	June 1
Bricklayers & Tilersetters..	1,295	559
Carpenters.....	24,853	11,645
Cement & Concrete finishers	548	243
Painters.....	4,073	1,387
Plasterers.....	382	158
Plumbers & steamfitters....	2,367	1,631
Other skilled workers.....	2,583	1,331
Unskilled workers.....	23,496	10,876
Total.....	59,597	27,830

The volume of work planned for this year, as indicated by the value of contracts awarded, is above last year's record level. The total value of contracts awarded up the end of May was \$421,000,000, as compared to \$386,000,000 in the corresponding period in 1949. This increase has been concentrated in the residential and business sectors.

SERVICES

Beginning in May, there was an increased demand for many types of service workers as summer resorts and tourist establishments began to line up their staffs for the summer season. There was some improvement in the supply of labour available, although often workers were obtained at the expense of other service establishments. Waitresses, kitchen help and groundsmen were generally readily available but shortages of cooks and stenographers were reported.

Casual workers for cleaning, gardening, and other odd jobs were also in greater demand during the month. More women were available for domestic work by the day, partly because it is more profitable, but also because the overall shortage of domestic workers was still very apparent. Laundries were busier during May than in April and any qualified worker easily found employment in this industry. A seasonal increase also took place in automotive repair work and first-class motor mechanics were in demand.

CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

The return to work of almost 4,000 automobile and feeder plant employees, highlighted the non-seasonal lay-off picture in the manufacturing industry in May. The 2,212 lay-offs reported in May showed a considerable decline in comparison with previous months, with most manufacturing industry showing a strengthening in employment. The flood in the Winnipeg area caused temporary lay-offs of several thousand working in manufacturing, while the fire at Rimouski, Quebec caused temporary unemployment for about 500 workers. The May table on lay-offs does not include unemployment due to the Winnipeg flood.

The main reason for lay-offs continues to be lack of orders, and the textile, railway rolling stock, and shipbuilding industries have been seriously affected. The Halifax Shipyards Ltd. at Halifax, N. S. released 200 men, while the Midland Shipyards Ltd. at Midland, Ontario dismissed 250, because of the lack of new contracts and the completion of repair work. The Canadian Car & Foundry Co. at Montreal, released a further 200 men, and these lay-offs were of a more permanent nature. The Canadian Car & Foundry Co. plant at Hamilton is still on short time, with employment at a low level.

The largest lay-off in the textile industry was at the Dominion Textile Co. Ltd. plant at Magog, Quebec, where 174 workers were released due to lack of orders. While lay-offs in the whole industry were relatively light, there were at least 2,000 workers still on part time. In addition, the Dominion Rubber Co. at St. Jerome, Quebec, has approximately 1,000 workers on part-time in its clothing division. Part-time work in the iron and steel industry was light, but many leather workers are still being affected by a slow-down in operations.

The fire in the town of Rimouski, Quebec, destroyed the Price Brothers Ltd. saw-mill causing a lay-off of 275 men; another 350 men were idle who would have been taken on early in May.

Lay-offs due to the Winnipeg flood were heavy during May. About 2,000 lay-offs were reported in manufacturing at the flood peak. Most of these were for less than two weeks duration. Many firms retained workers and paid them while working on flood defense. By the end of May, most workers were back at their jobs. Because of the short duration of the lay-offs, these are not included in the table.

Table 1 — Reported Non-seasonal Lay-offs in Manufacturing Industries,
by Cause (1)

Cause of Lay-off	May, 1950		April, 1950		March, 1950	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of orders.....	1,618	73.1	2,250	65.7	1,710	47.8
Shortage of materials..	24	1.1	205	6.0	435	12.2
Industrial disputes....	-	-	682	19.9	1,051	29.4
Production changes.....	102	4.6	40	1.1	153	4.3
Out of business.....	-	-	98	2.9	15	0.4
Other.....	468	21.2	150	4.4	210	5.9
Total.....	2,212	100.0	3,425	100.0	3,574	100.0

(1) As reported by National Employment Service offices

Table 11 — Reported Non-seasonal Lay-offs in Manufacturing,
by Industry (1)

Industry	Reported Lay-offs during May, 1950		Employment at March 1 1950 (2)	
	Number of Plants	Number of Workers	Number	Percentage Change From Previous Year
Iron and steel products.....	6	210	151,000	-8.4
Transportation equipment.....	4	701	129,000	-2.4
Automobiles & parts.....	-	-	48,000	+8.1
Food and beverages.....	2	42	106,500	+2.1
Textile products.....	3	206	101,000	-3.6
Wood products.....	8	548	77,000	+0.9
Clothing.....	7	219	69,000	+3.5
Paper products.....	-	-	67,400	-2.6
Electrical apparatus.....	2	39	54,000	-0.1
Other.....	2	40	52,000	+4.8
Non-ferrous metals.....	5	111	45,500	-6.3
Printing and publishing.....	-	-	45,000	+4.0
Chemical products.....	1	14	43,000	+2.0
Non-metallic mineral products	1	42	36,500	+2.4
Leather products.....	1	40	30,500	-3.8
Rubber products.....	-	-	21,500	-1.2
Tobacco products.....	-	-	12,000	-2.6
Total.....	42	2,212	1,040,900	-1.6

(1) As reported by National Employment Service offices

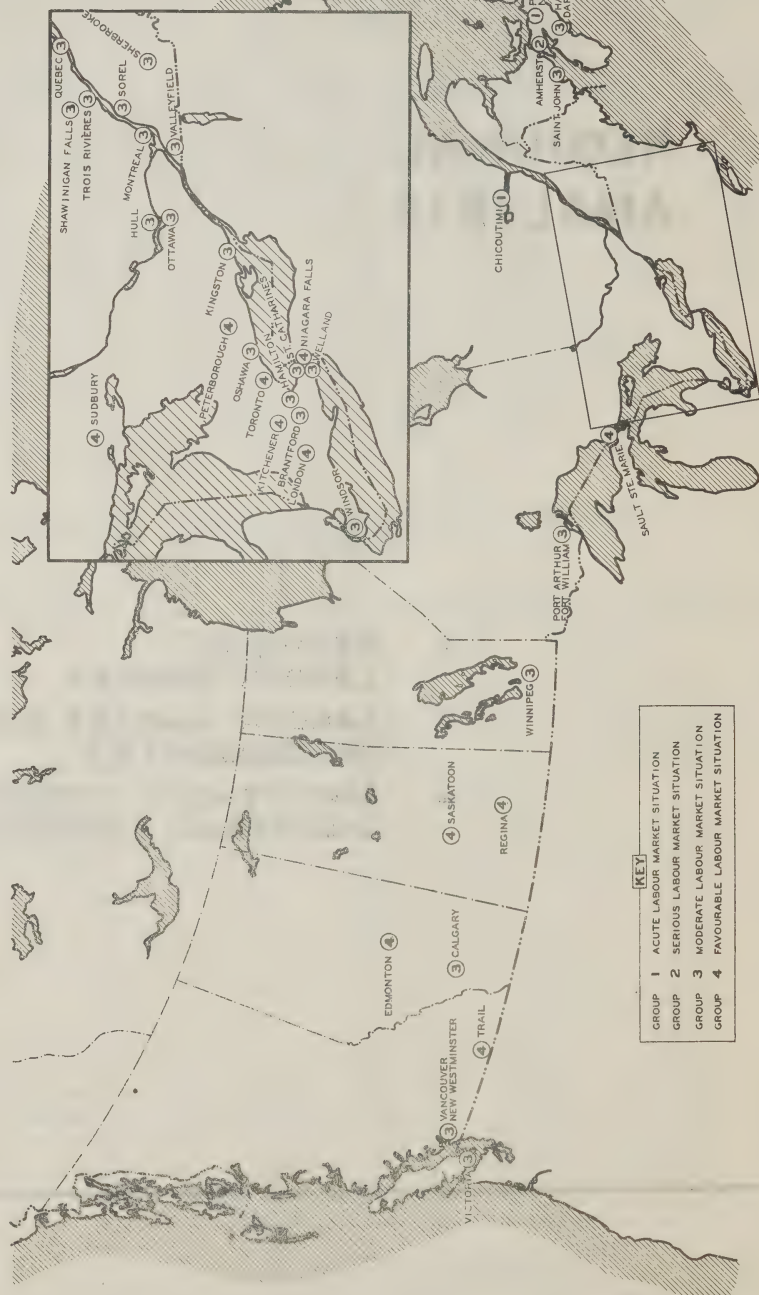
(2) Source: Employment and Payrolls Branch, D.B.S.

REGIONAL ANALYSIS.....

- ▲ REGIONAL
LABOUR MARKET
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF
INDUSTRIAL EXPANSION

CANADIAN LABOUR MARKET AREAS

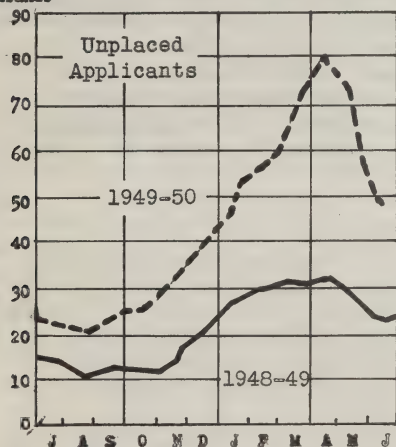
JUNE 1, 1950



REGIONAL LABOUR MARKET

ATLANTIC

Thousands



Registrations with National Employment Service offices in the Atlantic region declined by 25,000, or 33 per cent, during the month of May, as seasonal activity increased with improved weather conditions. At the end of the period, registered job-seekers represented almost 10 per cent of the labour force of the region, compared to over 14 per cent a month earlier. The greatest proportional improvement occurred in New Brunswick, the least in Newfoundland.

Although somewhat delayed by the late spring, agriculture became very active in a short space of time; construction programs

got well under way, seasonal manufacturing continued to increase employment and other manufacturing was generally stable; coal mining employment rose, although there was sporadic short-time in some areas; road and rail transportation became more active but ocean ports were slack; trade continued to pick up, and resorts, hotels and restaurants were absorbing numbers of service workers. The river drive was largely completed during the month, bringing greater activity to pulp mills, sawmills, and other woodworking establishments; in many areas, pulpwood cutting and peeling was under way and some lumber was being cut despite the forest fire hazard.

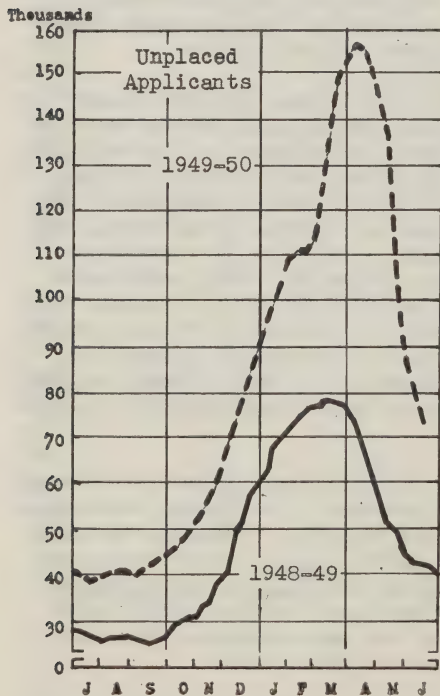
In Newfoundland, the future of the fishing industry continued to cause anxiety, because of uncertain markets. The lobster catch there has been average, and salmon landings are improving. Average to heavy landings of other fish - cod, haddock, herring, etc. - and very heavy lobster catches in Prince Edward Island and the Halifax, Cape Breton and Moncton areas brought fish processing plants to a generally high level of activity. Improving catches of cod were making up for the poor lobster season along the south shore of Nova Scotia.

The forest fire hazard has restricted cutting and sawmilling operations in the Halifax, New Glasgow, Amherst-Springhill and Northern New Brunswick areas, but shortages of woods workers in the Fredericton,

Sussex, and St. Stephen areas had to be filled by loggers from the New Brunswick north shore, where a surplus of manpower is likely to continue although a number of workers have left to seek jobs in Quebec and Ontario. Many of those formerly engaged in the pit-prop industry in northern New Brunswick appear to be entering or re-entering agriculture.

The volume of building construction this year in Halifax, Saint John, Fredericton and the Sydney area is expected to exceed previous records, although some of the larger projects are late getting under way. In Nova Scotia, provincial road construction apparently will be confined to certain areas only. In New Brunswick, the provincial road work program will employ a large number. The Newfoundland Government has announced that most of its road work program for 1950 will be deferred until later in the year.

QUEBEC



Despite a two-week delay due to unseasonal weather conditions, the latter part of May saw a substantial increase of employment in the seasonal industries of the Quebec region. Applications in the live files of National Employment Service offices in the region totalled 6 per cent of the Quebec labour force at the end of May, only slightly more than one-half the volume a month earlier.

Intensive activity on farms in most areas of the region, once the weather moderated, enabled farmers to complete seeding at about the usual time. The shorter hours and higher wages being paid in the construction, however, were making it difficult for farmers to obtain help. Ocean fisheries picked up during the month, employing considerable numbers along the lower St. Lawrence and the Gaspé coast. Mining operations continued at capacity and exploration and prospecting absorbed an in-

creasing number of workers. The river drive was well under way throughout most of the region, although delayed by the late thaw, and a start

was made at the summer cut, which is expected to equal, if not exceed, last year's.

The increase in construction activity as the weather improved accounted for a large proportion of the seasonal employment gain during May. When road work programs get under way in the different areas, large numbers of the unskilled labourers still seeking work will be employed. Shortages of construction workers appeared in Three Rivers, Quebec City and some centres in the Eastern Townships.

Despite areas of slackness, manufacturing activity in Quebec was generally stable during the month, with continuing increases of employment in the seasonal industries. The productions of electrical equipment and appliances continued to expand in Montreal. In that area, however, as in centres throughout the Eastern Townships, the slack employment situation continued in textiles, clothing, leather products, heavy transportation equipment and foundries, and in aircraft production. Newsprint production remained at capacity in Three Rivers and the Saguenay-Lake St. John district, with mills hiring additional summer staffs. Construction materials manufacturing, and especially lumber and lumber products establishments, were at capacity in the latter areas, in Rimouski and in the Eastern Townships.

Retail trade activity showed a slight improvement, although it was still generally below last year's levels. The prospect of a high volume of tourist trade resulted in further hirings of service workers by hotels and resorts.

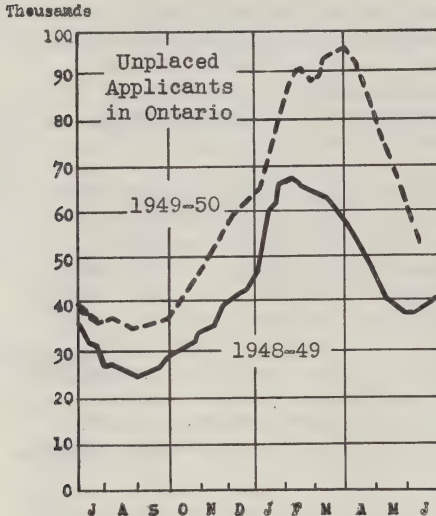
ONTARIO

Decided improvement in the employment situation was evident during May. The labour surplus, as measured by unplaced applicants, dropped by almost one-third as workers were absorbed into construction and agriculture, and as seasonal expansion in manufacturing continued. By the end of the month, applicants formed only 3 per cent of the regional labour force. A few spot labour shortages began to appear in some areas, particularly for farm workers.

Employment for women has not expanded as rapidly as for men, since most of the seasonal upswing has been concentrated in heavy manufacturing or outdoor industries. Furthermore, employers have been giving job preference to single girls, and by far the majority of female applicants are married women--about 75 per cent.

The two major developments in manufacturing industries were the settlement of the prolonged strike in the U. S. automobile industry which enabled the Canadian plant at Windsor to resume production during May, and the settlement of contract negotiations in the same plant in time to prevent another serious shutdown. Auto parts feeder plants

throughout the province are again in full production; in Chatham, where employment has been especially affected by the automobile industry shut-down, recovery left less unemployment than at any time since 1945.

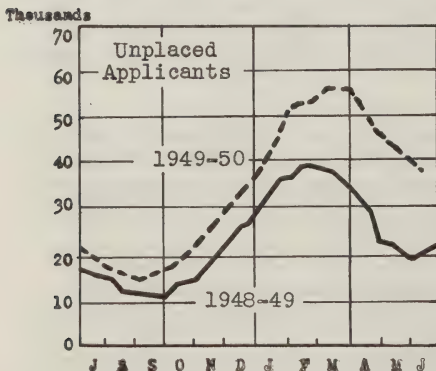


The establishment of a new basic steel plant at Hamilton is scheduled, and work will commence on this major project this year. Heavy industries maintained steady production during the month in most areas, but a few light industries were still working on part-time schedules. The textile industry complained of British competition, and the leather industry faced a weaker market as a result of unprecedented use of compositions and other leather substitutes. In London, a survey to determine the actual effect of weaker export markets on employment in the area, was under way. Radio manufacturing plants at

Toronto, Kitchener and London, were busy with the production of television receivers.

Activity in construction showed a marked increase as weather conditions improved, and numerous new projects started during the month.

PRAIRIES



A general expansion of employment during May was offset to some extent by the havoc caused by flood conditions in the Red River Valley area. Elsewhere in the region, however, the delay caused by the bad weather of the past few months was now giving added impetus to labour demand as outdoor industries extended seasonal operations. As a result, registrations at National Employment Service offices dropped, especially in Alberta. By the end of May, about 4 per cent of the regional labour force were registered.

In the Winnipeg area, business, industry, agriculture and all community services severely felt the effects of the flood. Many establishments were forced to curtail activities completely, while others carried on under difficult circumstances and on a reduced scale. By the beginning of June, however, work was resumed in most cases, and as rehabilitation work began, labour demand increased sharply. Major repairs to embankments, railway tracks, bridges and highways will be necessary in addition to a heavy residential construction program, and labour shortages are expected in the area by the end of June.

Spring farm work throughout the Prairie provinces suffered repeated delays through the unfavourable weather, but more so in Manitoba and Saskatchewan than in Alberta. In the latter province, spot labour shortages were developing but the arrival of transient workers was easing the situation somewhat. The demand for experienced operators of power farm machinery has not been easily met since few workers are qualified; demand for this type of worker is increasing each year as farming becomes more mechanized.

A shortage of construction tradesmen was beginning to develop in Winnipeg, Saskatoon, Regina and Calgary areas, and a season of intense construction activity is expected throughout the region.

The oil exploration program continued at fever pitch, providing great stimulation to the business and service industries of the western provinces. An indication of the extent to which the exploration alone creates demand for goods, services and labour, is the fact that three major oil companies will together spend \$41,000,000.00 on exploration and development work this year in Canada.

PACIFIC

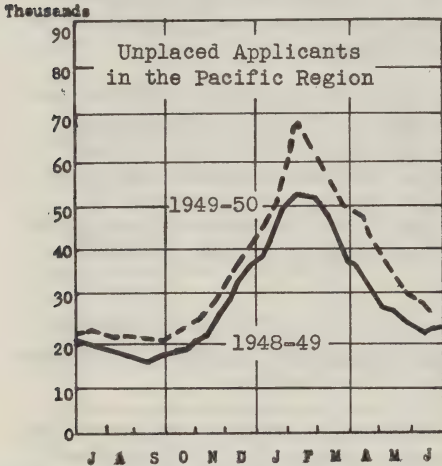
As activity increased further

in logging, sawmills, fishing, construction and agriculture, the labour surpluses of this region gave way to shortages in many occupations. Reflecting this, the number of persons seeking jobs through the N.E.S. offices dropped sharply during May to form 6.5 per cent of the regional labour force at the end of the month. Further sharp declines were expected in June as employment was rising rapidly towards its seasonal peak.

With better weather conditions, logging operations throughout the region made a rapid return to full production. A shortage of skilled workers such as engineers, fallers and rigging men was becoming noticeable. There was little labour turnover in the industry, which is contrary to the experience of previous years when a strike was threatening. Ordinarily under these conditions, numerous woods workers leave the camps and seek work in other industries, but this year they were staying on the job despite the turbulent state of contract negotiations. A strike in the logging and sawmill industry would seriously affect employment throughout the region.

Sawmills in the Vancouver and New Westminster area were working at capacity, and starting extra shifts where skilled men were available; the scarcity of edgemen, setters and doggers, has delayed the opening of some shifts. The shingle markets was very favourable--prices are high and orders plentiful--but the extremely high price of cedar

logs was causing some concern to operators. Mills in the Victoria, Nanaimo and Duncan areas were working full time, with the larger ones running night shifts; they should remain in full operation all summer if there is no log shortage due to fires or strikes. In the Interior, mills were engaging extra shifts to keep up with orders.



year. Another development, which will create permanent employment in its final stage, is the construction of a highway between Whitehorse and Mayo in the Yukon Territories, which will enable the year-round shipment of ore, and thus encourage the opening of new mines in the area.

Berry crops were nearing the harvest season, and the recruiting of berry pickers was under way; about 1,000 pickers would be needed in the Vancouver Island district, but here and elsewhere in the region no shortage of farm help was expected.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I--Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which unplaced applicant amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for May and June of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio June 1 1950	Group Rating		
		June 1, 1950	May 1, 1950	June 1, 1949
<u>Population of 100,000 and over</u>				
Winnipeg.....	12	III	III	III
Quebec.....	11	III	II	III
Vancouver.....	9	III	III	III
Windsor.....	7	III	III	III
Hamilton.....	6	III	III	IV
Montreal.....	6	III	III	IV
Calgary.....	5	III	III	IV
Victoria.....	5	III	III	IV
Ottawa.....	5	III	III	IV
Edmonton.....	4	IV	III	IV
Toronto.....	3	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	16	II	II	III
Fort William and Port Arthur.....	13	III	II	III
Saint John.....	11	III	III	III
Halifax.....	10	III	III	III
Regina.....	3	IV	III	IV
London.....	2	IV	IV	IV
Kitchener.....	2	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	25	I	I	III
Hull.....	14	III	I	III
Shawinigan Falls.....	12	III	I	III
Sherbrooke.....	10	III	II	III
Three Rivers.....	8	III	II	III
Brantford.....	6	III	III	IV
Kingston.....	6	III	III	IV
Oshawa.....	6	III	III	III
St. Catharines.....	5	III	III	IV
Peterborough.....	4	IV	III	IV
Sault Ste. Marie.....	3	IV	III	IV
Saskatoon.....	3	IV	III	IV
Sudbury.....	3	IV	III	IV
<u>Population of under 25,000</u>				
Pictou - New Glasgow.....	25	I	I	III
Amherst.....	15	II	I	III
Valleyfield.....	14	III	II	III
Sorel.....	10	III	II	III
Welland.....	9	III	II	III
Niagara Falls.....	4	IV	III	IV
Trail.....	4	IV	III	IV

The decision of Canadian railways to convert from steam to diesel-electric locomotives, was largely responsible for the establishment of General Motors Diesel Ltd. at London, Ontario, which will provide jobs for some 1,000 men.

In the chemical industry, Dow Chemical of Canada Ltd. at Sarnia, Ontario, is completing a new caustic soda evaporation plant which is expected to open about the end of June, 1950. This plant will employ 12 workers on operation, as well as maintenance and service men. The same company has also began a new \$1 million plant at Sarnia to manufacture solvents. Only 12 men will be required for operation, while about 10 men will be added to the maintenance and service crew. This plant will commence operation in the fall of 1950.

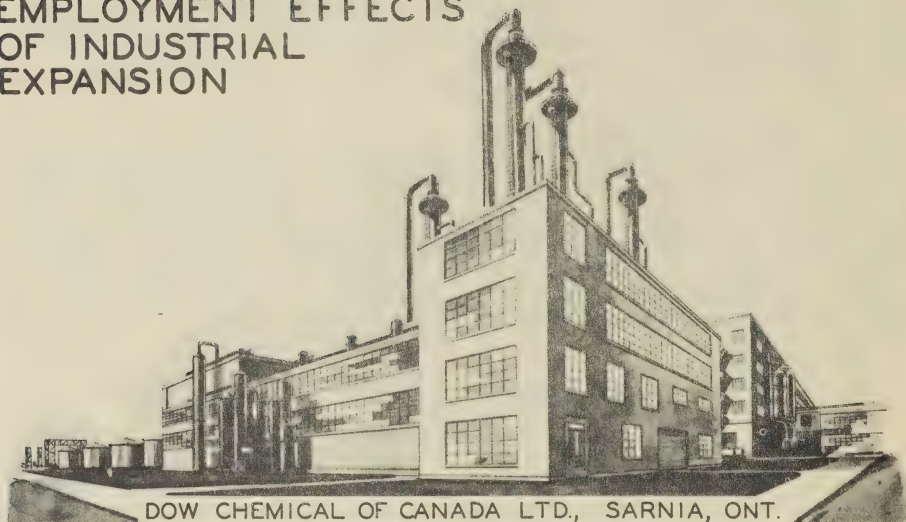
ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION (1)

- Second Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Atlantic</u> Oxford, N.S.	Rowack Woodworkers Ltd.	Wood Products	40
<u>Quebec</u> Drummondville	Holtite Rubber Co. of Canada Ltd.	Rubber Products	20
<u>Ontario</u> Ajax	Atlas Tag Co. of Canada Ltd.	Paper Products	15
Belleville	Avon Jewellery Ltd.	Non-ferrous Metals	50
Brantford	Allen-Ritchie Co. Ltd.	Leather Products	3
Chatham	Chatham Erecting Co.	Iron & Steel	10-12
Delhi	Delhi Industries Ltd.	Iron & Steel	3
Preston	Royal Metal Mfg. Co. Ltd.	Wood Products	10
London	General Motors Diesel Ltd.	Transportation Equipment	1,000
Sarnia	Dow Chemical of Canada Ltd.	Chemicals	12
Tilbury	Chatco Steel Products Ltd.	Transportation Equipment	194
Toronto	Reichhold Chemicals (Canada) Ltd.	Chemicals	25
Welland	"El-Mech" Tools Ltd.	Iron & Steel	30
Woodstock	Standard Tube Co. Ltd.	Iron & Steel	50

(1) All employment information continued in the table has been confirmed by direct contact with the firms concerned.

EMPLOYMENT EFFECTS OF INDUSTRIAL EXPANSION



DOW CHEMICAL OF CANADA LTD., SARNIA, ONT.

With a particularly strong market for automobiles and chemicals, industrial expansion in these two industries has been quite marked during 1950. In the first half of this year, the automotive industry has provided at least 900 new jobs, and the chemical industries about 650 through the building of new plants and extending present facilities.

Employment in the Canadian automotive industry will be strengthened in 1950 by at least three new plants. Nash Motors of Canada Ltd. recently started to assemble cars in Canada and will employ 400 new workers at Toronto, Ontario. Chatco Steel Products Ltd., at Tilbury, Ontario, commencing the assembly of Hudson Motor Cars, required 194 additional workers. The International Harvester Co. of Canada Ltd. is building an extension to their Chatham truck plant which will require 75 new men. There is also a report that the Kaiser-Frazer Co. may assemble cars at Toronto, Ontario.

The "big three", Ford, Chrysler, and General Motors, are investing heavily, but as their primary aim is more efficient production, consequent employment effects will be light. The Ford Motor Co. of Canada Ltd. is extending the Windsor power plant; the Chrysler Corporation of Canada Ltd. is extending their engine plant. The General Motors Corporation of Canada Ltd. will extend the Oshawa assembly wing to provide space for additional body types, and will build a new \$3 million parts and accessories depot. Future plans of this company also call for the extension of the Windsor engine plant, and a new parts depot at Montreal.

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR
ECONOMICS AND RESEARCH BRANCH

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UNIVERSITY OF TORONTO

July DEPT. OF POLITICAL ECONOMY 1950

BAROMETRICS FILE " "

FEATURE ARTICLE _____

Government
Publications

Employment Conditions
in Newfoundland

Volume 7

Number 7

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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

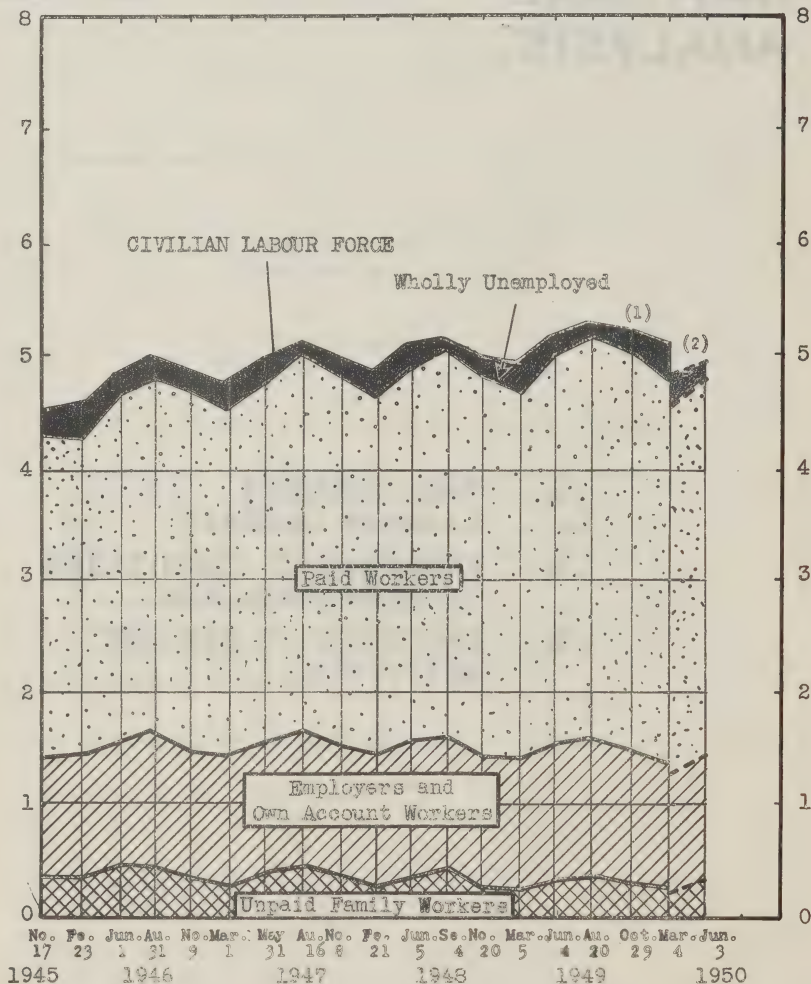
NATIONAL ANALYSIS.....

- ▲ THE CURRENT
LABOUR MARKET
- ▲ EMPLOYMENT CONDITIONS
IN NEWFOUNDLAND
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

TRENDS IN THE LABOUR FORCE 1945 - 1950

Millions of Persons

Millions of Persons



(1) Newfoundland totals included for the first time at October 29, 1949.

(2) Manitoba is excluded because of conditions caused by the flooding of the Red River in May.

THE CURRENT LABOUR MARKET

By the middle of July, it was evident that the Canadian economy was being swept by a wave of seasonal prosperity. Nearly all available construction workers had been absorbed by the continuing building boom; in some areas, shortages of skilled workers had developed. Farming also was requiring more workers than were presently available, because of the higher wages being paid in other industries.

Although the labour force was increasing at this time of year as large numbers of students entered the employment market, the total number of registrations for work on hand at National Employment offices continued to fall from 254,500 at June 1 to 204,600 at the end of the month. By the middle of July, they had decreased still further, to 183,100. Applications for work were then only 38,000 above those at the same time last year.

There were 4,793,000¹ workers in Canada who had jobs² at June 3, 1950, according to the latest sample labour force survey estimates. While this was about a quarter of a million more three months earlier, it was slightly lower than at June 1 last year. Over the year, there has been a relatively large shift of workers from agriculture to other industries. Persons with jobs in agriculture declined by about 50,000 while those working in non-agricultural industries increased by almost 30,000. More women than men have been involved in this shift. In the past twelve months, there has also been some withdrawal from the labour force of housewives and of retired persons.

While agriculture, construction and transportation have provided the main impetus behind the rapid improvement in the employment situation this spring, increases in exports to the United States of several Canadian products have helped cushion the Canadian economy against the decline in overseas markets. The pulp and paper industry and metal mining, whose chief markets are in the United States, have benefited particularly. There has also been considerable demand for Maritime lumber. In the Maritimes, as in Quebec and Ontario, summer cutting of pulpwood logs has been greater than anticipated.

Employment in manufacturing has been continuing close to last year's level. Sawmills, pulp and paper mills, automobile and electrical apparatus plants have been increasing their staffs. Employment has also increased in some heavy iron and steel plants. On the other hand, leather and rubber goods plants and some textile companies are still on short-time, and the agricultural implement industry has been releasing workers as production declines from the seasonal peak.

¹ Excluding Manitoba.

² Everyone who works one hour or more in the survey week is classified as having a job.

CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	June 27	204,553	-19.6	-	-
Per cent of labour force.....	June 3	3.9	5.0*	2.9*	-
Per cent of paid workers.....	June 3	5.7	7.5*	4.2*	-
Ordinary live claimants.....	July 1	109,433	-25.3	+36.1	+46.8
Per cent of insured population..	July 1	4.0	5.4*	3.1*	-
Per cent of unplaced applicants..	June 29	53.5	57.5*	54.6*	-
Amount of benefit payments.....	June	\$6,378,926	-33.5	+55.1	+61.1
Index of Employment (June 1, 1941 = 100).....	May 1	123.6	+ 0.4	- 0.2	- 0.8
(Eight leading industries)					
Immigration.....	April	7,515	+29.5	-17.4	-32.1
<u>Earnings and Income</u>					
Total labour income.....	April	\$642,000,000	+ 1.4	+ 5.2	+ 3.8
Average weekly salaries & wages (Eight leading industries).....	May 1	\$44.99	+ 0.2	+ 4.2	+ 3.3
Average hourly wages (mfg.).....	May 1	\$1.024	+ 0.7	+ 3.9	+ 3.8
Average hrs. worked per week (mfg.)	May 1	42.6	- 0.5	+ 1.9	- 0.5
Average weekly wages (mfg.).....	May 1	\$43.62	+ 0.2	+ 5.8	+ 3.3
Cost-of-living index (Average 1935-39 = 100).....	June 1	165.4	+ 0.9	+ 3.1	+ 2.3
Real weekly wages (mfg. Average 1946 = 100).....	May 1	108.7	+ 0.2	+ 2.8	+ 1.1
<u>Industrial Production</u>					
Total (Average 1935-39 = 100)....	May	195.6	+ 2.4	+ 4.0	+ 3.3
Manufacturing.....	May	203.5	+ 2.2	+ 2.8	+ 2.1
Non-durables.....	May	187.9	+ 1.8	+ 2.4	- 2.0
Durables.....	May	230.4	+ 2.8	+ 3.5	+ 2.5
<u>Industrial Relations</u>					
Strikes and lockouts-days lost...	June	30,152	+26.3	-78.7	-76.3

* These figures are the respective percentages for the previous month and for the same month last year.



EMPLOYMENT CONDITIONS IN NEWFOUNDLAND

Unemployment in Newfoundland reached its peak around mid-April, when the number of live applications in the files of the three National Employment Service offices in that province rose to over 22,800. Since then, the improvement has been relatively slight, although gaining momentum since mid-June. The much improved outlook for the pulp and paper industry has brought increasing activity in pulp cutting, and fishing became more active during June. The lack of any large volume of construction employment suitable for unskilled workers is a major

obstacle in the improvement of employment conditions on the Island.

At July 13 there were 14,064 registrations on hand at offices of the National Employment Service in Newfoundland. The following table compares this with similar data for previous months since the early winter and with the total labour force of the Island.

Date		Total Live Applications	Live Applications as Percentage of Labour Force
November	3.....	7,283	6.4
December	1.....	7,727	7.0
December	29.....	9,081	8.5
February	2.....	14,650	14.1
March	2.....	18,632	18.4
March	30.....	21,096	21.1
April	20 (Peak)	22,822	21.7
April	27.....	22,526	21.2
June	1.....	19,702	17.5
June	15.....	19,365	16.8
June	29.....	16,938	14.7
July	6.....	15,850	13.7
July	13.....	14,064	12.2

At the end of October, 1949, the Dominion Bureau of Statistics (Labour Force Survey) estimated that there were 14,000 wholly unemployed persons in Newfoundland, twice the number then registered with the Employment Service. At the beginning of March, 1950, the Labour Force Survey estimate of 22,000 wholly unemployed was about 4,000 more than the number of live applications in Employment Service files. The most recent Labour Force Survey data, for the week ending June 3, shows an estimated 17,000 to be without jobs and seeking work, almost 3,000 fewer than were registered with the National Employment Service on June 1.

The changing relationship between these series during the period October to June illustrates the increasing use of Employment Service facilities by persons in Newfoundland wholly or partially unemployed. A large part of this change resulted from the effects of the Provincial Government's winter works program in qualifying workers for unemployment assistance.

The increase in the number of claimants for benefits, and in the amount of benefits paid under both unemployment assistance and unemployment insurance is shown in the following table:

<u>Month</u>	<u>Unemployment Assistance</u>		<u>Unemp. Insurance</u>		Claimants as Percentage of Unplaced Apps.
	<u>No. of Claimants</u>	<u>Benefits Paid During Month</u>	<u>No. of Claimants</u>	<u>Benefits Paid</u>	
October..	3,135	\$ 156,988	61	\$ 2,795	43.9
November.	4,807	170,439	86	2,523	63.3
December.	5,866	205,149	103	4,284	65.7
January..	9,318	318,089	246	7,602	65.3
February.	13,278	552,732	465	16,149	73.8
March....	14,568	860,540	969	33,604	73.6
April....	14,408	634,651	582	19,595	66.5
May.....	12,904	949,416	419	26,538	67.6
June.....	10,430	-	370	-	63.8

It will be noted that, while the number of claimants for unemployment assistance continued to rise at a slackening rate up the end of March, the number of claimants for unemployment insurance roughly doubled in each successive month from December to the end of March. A slight decline has since taken place in the number of claimants for assistance, but there has been a considerable reduction in the number claiming insurance benefits, probably due to a desire to conserve accumulated benefit entitlement. There is no such incentive for giving up unemployment assistance, since entitlement to these benefits is not recurring. The higher benefit payment total for May, with a reduced number of live claimants from previous months, reflects the lag in paying March and April claims arising from the volume of claims handled during the winter by the Newfoundland offices of the Unemployment Insurance Commission and

from delays occasioned by the end of the fiscal year.

From April 1, 1949 to May 31, 1950 there were 48,540 claims for unemployment assistance and 3,260 for unemployment insurance received at the three Newfoundland offices of the Unemployment Insurance Commission. These claims gave rise to total benefit payments during that period of \$4,796,192 under unemployment assistance and \$123,686 under unemployment insurance.

The supplementary benefit program provided assistance to almost 2,500 persons in Newfoundland, as the following table shows:

<u>Month</u>	<u>Claims Received</u>	<u>Claims Allowed</u>	<u>Benefits Paid</u>	<u>Claims Pending at End of Month</u>
March	421	92	\$ 1,338	329
April	1,264 ^a	1,023	12,793	234
May	1,440 ^a	1,344	25,488	53
Summary	2,562	2,459	39,619	53

^aIncluding claims pending from previous month.

The considerable number of claims shown as received after the official end of the supplementary benefit program on April 15 is the result of late applications, largely by mail, the verification of which involves some delay.

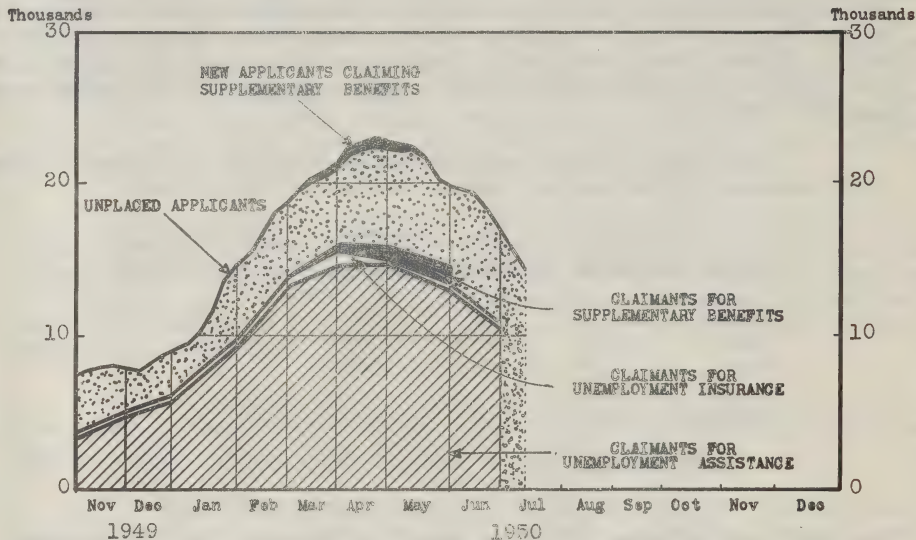
During recent months, under arrangements made by the Department of Labour and carried out through its National Employment Service, a total of 375 job seekers have been or will be, brought from Newfoundland to employment in mainland provinces. Of these, 125 have been iron miners who went to gold mines in Ontario and southern Manitoba, and 50 have been placed on track work with the C. N. R.'s construction contractor. In addition, 200 farm workers are being brought into Ontario. In this connection, the Council of the Newfoundland Board of Trade recently suggested that records be maintained of people leaving Newfoundland to live and work in other parts of Canada, with a view of attempting to persuade them to return if and when conditions on the Island improve. The suggestion involved obtaining the co-operation of the transportation companies in the matter of recording the necessary information.

THE CURRENT SITUATION

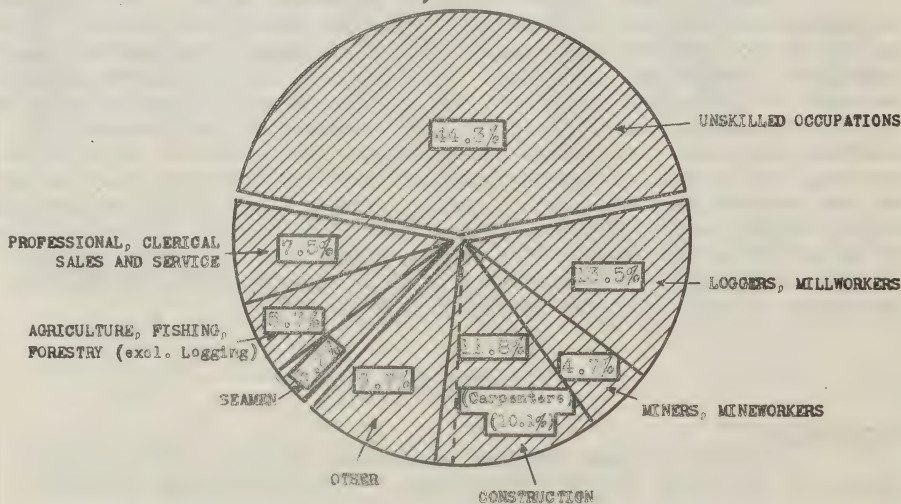
Agriculture

In June, a land clearing program sponsored by the provincial government got under way in Newfoundland. Government-owned equipment

LIVE REGISTRATIONS AND BENEFIT CLAIMS NEWFOUNDLAND.....



OCCUPATIONAL DISTRIBUTION OF LIVE APPLICATIONS - NEWFOUNDLAND..... JUNE 29, 1950



based at strategic points is leased with operators to farmers for \$7.50 per acre of land to be cleared. A minimum of 50 acres for clearing is prescribed, and farmers, who must hold membership in an agricultural association as a guarantee of their intention to use the land, may pool their acreage and share clearing costs. Lime is also made available under this program at \$1.50 per ton. The land already cleared is being used for cash crops or pasture. In addition, Icelandic sheep are to be imported into Newfoundland with a view to establishing sheep raising on the Island. This hardy breed is thought to be best suited to climatic conditions there.

By these and other methods, the Newfoundland government is encouraging the development of agricultural activity, in order to expand and stabilize the provinces economic activity still concentrated so largely in fishing.

Fishing

On June 28 the federal government announced its intention to buy, at two-thirds of 1948 prices, balances of salt cod from the 1949 catch remaining on the hands of Newfoundland fishermen. The agreed prices in 1948 ranged from \$7 to \$15.45 per quintal, depending on type and size and on the area in which purchased. Of the estimated 120,000-180,000 quintals of 1949 salt cod production remaining unsold, only 18,000-27,000 quintals are estimated to be in the hands of fishermen or held by merchants but not paid for.

Although the Fisheries Prices Support Board action is not likely to bring any substantial amount of money to Newfoundland fishermen, it was hoped that, by lifting the burden of unsold balances, many of the shore fishermen who had remained inactive throughout the early part of the season would be encouraged to begin 1950 fishing operations. In the absence of any alternative employment, some fishermen had already begun their operations for this year, and others have now followed suit. Federal government arrangements with the United Kingdom, Italy, Spain, Portugal and Greece for the sale of about \$6 million worth of Newfoundland salt cod this year will undoubtedly relieve the position of merchants holding large unsold balances of the 1949 output.

Little activity in the Labrador fishery was foreseen earlier this year, since the smaller size of the cod caught there would, it was believed, aggravate the already difficult market situation. However, by the end of June preparations were being rushed to enable about 30 schooners to prosecute the Labrador fishery for the balance of the season. This will relieve considerably the employment situation in the Bonavista Bay area of the east coast of Newfoundland, from which most crewmen for the Labrador fishery are recruited. This development suggests that the ship-owners, who were unwilling a month earlier to risk the investment necessary to prosecute this fishery, now foresee a more favourable market situation.

Forestry

Recent improvements in the market for newsprint have enabled the two pulp and paper firms in Newfoundland to plan substantially increased pulpwood cuts this year, aggregating about 45 per cent more than was cut

by them last year. This situation has brightened considerably the outlook for woods employment and both companies already have hired substantial numbers of woods workers, with additional hirings imminent. Recent negotiations between the companies and the woods unions have led to the restoration of a 5¢ hourly wage cut agreed to earlier, the restoration being retroactive to the date of effect of the reduction, and to an hourly increase of an additional 2¢ from the same date. The negotiations also produced agreement on special cutting rates to be applied if the price of pulpwood becomes a dominant factor in the export market situation. The Bowater Company is this year extending its cutting activities into two areas of the northern peninsular, where it let some lumber contracts during the winter to help provide work for the unemployed in the outports.

Mining

Aside from a short work stoppage at the Wabana iron mines early in May, resulting from miners' demands for increased safety precautions in the mines following a fatal accident, the production of iron ore has continued at about the same level throughout the past several months. The movement of stockpiled ore to ships, however, has led to an increase of about 250 in the number of surface workers employed by the mines, raising the total to about 1,350. Base metals mining and the production of concentrates has continued throughout the winter at capacity, and the outlook for the Buchans Mining Company indicates no change. A government-sponsored aerial magnetometer survey was scheduled for early June, the purpose being to eliminate unpromising territory and thus reduce the areas requiring the more intensive surface prospecting. Power shortages in the Burin Peninsula have led to the suspension of fluorspar mining at St. Lawrence. The mine operators are installing their own generating equipment to help overcome this situation, and mining may be resumed in the fall.

Manufacturing

While the newsprint mills now appear to have full operations through 1950 assured, the outlook for other manufacturing is still by no means certain. It has been reported, however, that some manufacturers in Newfoundland have completed arrangements to export to markets in the Maritime provinces. The first firm to take this step was a biscuit and confectionery manufacturer, whose campaign opened in Halifax early in June.

Construction

Premier Smallwood recently confirmed an earlier report that there will be no extensive road work program for Newfoundland during the summer and early fall. Work on portions of the Newfoundland section of the Trans-Canada Highway got under way during May, municipalities began road repair and maintenance programs, and there was a small provincial road-building project under way in the Burin Peninsula. The major item of building construction in St. John's is the slum clearance and housing project now getting under way. In addition, the corner stone for a new civic stadium, to seat 5,000, was laid on June 23. The Buchans Mining Company is to build 60 or 70 small houses for its employees this summer,

and there are numerous other private homes going up in the Grand Falls area and in Corner Brook, where a large co-operative store, an armoury and a new bank building are under construction.

Other Industries

Coastal navigation opened later this year than last, and ships encountered considerable ice during May, hampering deliveries to the out-ports. However, no food shortages were reported this year. The port of Botwood has handled several outgoing shipments of newsprint from the Anglo-Newfoundland Development Company and of lead-copper-zinc concentrates from the Buchans Mining Company, but shipments in have been negligible. The volume in was formerly made up largely of coal for the operation of the Anglo-Newfoundland Development Company mill, but this firm converted to fuel oil last year and port traffic has been reduced considerably as a result. Although the Corner Brook waterfront was particularly busy immediately following the opening of navigation, business slackened off shortly thereafter, and the port has been relatively quiet since.

The late opening of navigation and coastal ice conditions retarded the upswing in wholesale trade which, although increased activity was noted in the St. John's area, still remained considerably below last year's levels. Retail trade in Newfoundland is fairly active, with used cars so plentiful that storage space is at a premium and prices are expected to fall. The Provincial Government recently introduced a bill providing for compulsory life and accident insurance for all fishermen, with premiums of \$2 for individuals on vessels of over 20 tons and \$1.50 for all others. Copies of the proposed legislation are currently under scrutiny by the groups affected.

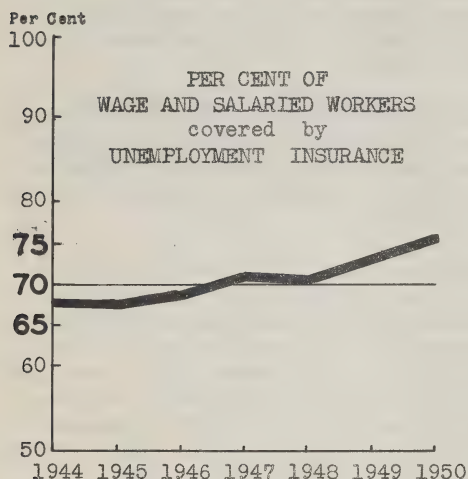
THE OUTLOOK

Despite increased seasonal activity, employment in Newfoundland did not rise as rapidly this spring as in previous years at the same time. This was largely due to inactivity among shore fishermen and the lack of employment opportunities for unskilled workers. The recently announced federal Prices Support Board action to relieve the shore fishermen of unsold balances of last year's cod catch may encourage more of them to encourage more of them to engage in some fishing activity, although it is now too late for the fullest advantage to be taken of spring fish runs. Marketing arrangements with European countries covering part of the 1950 salt cod output probably will encourage other fishermen, and also make it easier for merchants holding unsold balances of 1949 production to advance to fishermen the necessary supplies. The probable result of the delay in fishing activity, however, will be lower catches and lower earnings among shore fishermen; and more shore fishermen may seek alternative employment of a more regular nature, preferably within the scope of the Unemployment Insurance Act.

Although slow in starting, a considerable volume of construction is planned for Newfoundland this year, and it is expected that this will help to ease the unemployment picture. Further employment increases, particularly in the woods, will result from the greater pulpwood cuts proposed by the two pulp and paper firms. Beyond this, however, there is little likelihood of other reductions in the numbers seeking employment. While there remains the possibility of an iron ore contract from the United Kingdom, which might add 250 to the Wabana payroll, it is unlikely that employment in mining, and in manufacturing other than the pulp and paper mills, will be much increased in the near future. It is also improbable that there will be any significant change in the level of employment in the trade and service industries.

Prospects are that, at the peak of employment during 1950, the level of unemployment in Newfoundland will remain substantially above that of any year since the outbreak of the last war.

EMPLOYMENT SERVICE ACTIVITIES



The gradual extension of unemployment insurance to more and more Canadian workers is one of the most significant events in the employment field during the past few years. The latest increase in coverage, which came into effect on July 3, brought about 90,000 more persons under the scope of the Unemployment Insurance Act. These were salaried workers earning from \$3,120 to \$4,800 a year, and were in addition to the approximately 40,000 workers in Eastern Canadian logging who became insured at April 1.

About 75 per cent of all wage and salaried workers are now protected by unemployment insurance. The most notable exceptions

are farm workers, fishermen, employees in hospitals, domestic servants, teachers, various groups of government employees, and persons such as part-time workers, workers in certain seasonal industries and similar groups exempted under special orders.

Except in agriculture and fishing, workers in industries not covered have not been subject to much unemployment in the postwar years. In agriculture, unemployment has largely been among seasonal workers and some degree of protection is afforded these workers by their off-season employment in insured industries such as construction and logging. Fishermen also in some cases are employed in insurable employment during part of the year.

The provision of supplementary unemployment insurance benefits will extend the payment of benefits during the winter months for many workers who have not sufficient contributions to cover them during the full period of their seasonal unemployment. This added protection fits the operation of the unemployment insurance scheme more closely to the peculiarities of the Canadian economy.

The employees' contribution in the financing of the supplementary benefit program will be borne by the insured population as a whole. One cent a day extra will be paid by all insured persons. This, as well as the reclassification of various groups of employees into a smaller

number of benefit groups, the equalizing of employer and employee contributions in the lower salary brackets, all increased the employee contribution at the beginning of July. Employer and government contributions, of course, also increased accordingly. In some cases, this will result in a higher rate of benefit for the unemployed, in a few cases for a slightly lower benefit rate.

The large increase in benefit rates will not take place until July 1, 1951. At that time, the maximum benefits paid will be raised to \$21.00 and \$16.20, the higher rate being for workers with dependents. The present maximum benefit rates (about 70 per cent of insured workers fall in this class) are \$14.40 and \$18.30.

At this time of year, emphasis is shifting away from the unemployment insurance operations to the activities of the Employment Service. Employers are looking increasingly to the Employment Service to obtain suitable workers. Throughout June and continuing into July, there were more jobs available for men than there were at the same time in 1949. The increase in demand took place in all regions. The rise was not confined to any particular occupation but was fairly general among the unskilled occupations, in logging and the metalworking trades.

As a result, placement operations had reached a new postwar high for the time of year. During June some 75,000 placements were effected by the 185 employment offices throughout Canada.

The number of applicants dropped sharply and by early July were nearing last year's level in the Ontario, Prairie and Pacific regions; in these regions, the increase over the year was almost entirely among women. It is significant that the over-all decline in applicants throughout Canada was large during June and early July despite the registration of high school students at this time.

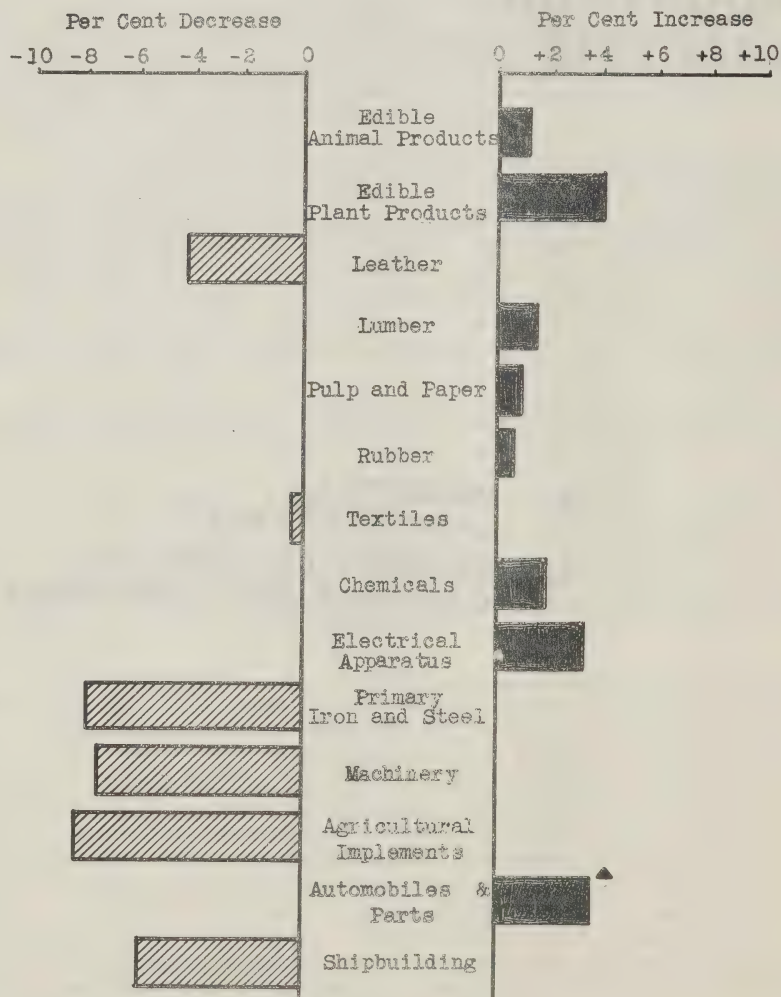
In contrast to the general buoyancy, the situation for women workers shows little improvement. There is about one female applicant to two male as against the ratio of one to three in the labour force as a whole. While this unemployment is not serious, since the majority of applicants are married and not usually dependent on employment for livelihood, it does indicate a sluggish development in the labour market. Industrial openings for women are particularly scarce. Skilled and semiskilled female applicants have increased by over 100 per cent during the year. The rise has been particularly large in the textile trades. There are also many more women registered in the clerical, sales and service occupations. The increase in the labour supply has enabled employers to be much more selective in their hiring and because of the qualifications regarding age, experience and marital status many of the applicants are very difficult to place.

INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL
LABOUR MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

CHANGES IN REPORTED EMPLOYMENT IN THE MANUFACTURING INDUSTRIES.....

(YEAR ENDING MAY 1, 1950)



▲ Estimate

INDUSTRIAL LABOUR MARKET

MANUFACTURING

Total employment in the manufacturing industries during the first half of 1950 was running slightly below the level of the same period in 1949. The Dominion Bureau of Statistics index of manufacturing employment at May 1 was 119.5 (June 1, 1941 = 100) as against 121.0 at May 1, 1949. Short-time work and periodic lay-offs, which have been more evident this year, do not always show up in these indexes, however.

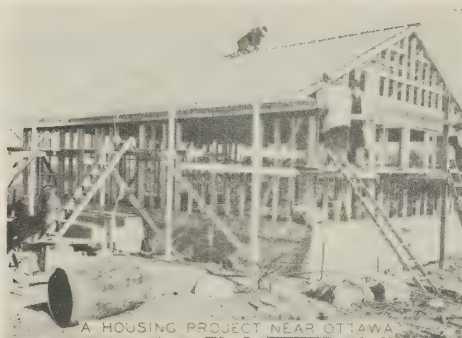
Employment gains have been recorded in such industries as food products, automobiles and parts, chemicals, electrical apparatus, and non-metallic mineral products. The high level of production in most of these industries is based on strong domestic markets. The more important of these employment increases are shown on the accompanying chart.

Losses in employment have been particularly heavy in some sections of the iron and steel industries. Reported employment in this section of the manufacturing group has shown a drop of nearly 20,000 in the past twelve months. The only industry in this group in which employment has increased is automobiles and parts. Production in the three basic iron and steel producers has been maintained at capacity. In the other groups, particularly industries producing agricultural implements, shipbuilding and machinery, fairly substantial declines in employment have occurred.

Indexes of Employment in the Manufacturing
Industries May 1, 1949 and 1950
(Base: June 1, 1941 = 100)

Industry	May 1, 1950	May 1, 1949	Per cent change
Edible animal.....	126.1	124.9	† 1.0
Edible plant.....	130.8	125.9	† 3.9
Leather.....	105.0	109.8	- 4.4
Lumber.....	118.4	116.9	† 1.3
Pulp and paper.....	139.2	138.0	† 0.9
Rubber.....	124.9	124.0	† 0.7
Textiles.....	117.5	117.9	- 0.3
Chemicals.....	99.6	97.8	† 1.8
Electrical apparatus..	172.5	167.1	† 3.2
Iron and steel.....	103.7	110.4	- 6.1

CONSTRUCTION



Qualified tradesmen were being rapidly absorbed in the construction industry during June and labour shortages were developing among the skilled trades. Among unskilled labour, however, there was a greater surplus than at the same time in 1949.

The most recent employment data issued by the Dominion Bureau of Statistics, which are for May 1, show that reported employment in the industry is fractionally below that of last year. Expansion in

employment in the building trades has been offset by declines in the two other major sectors, railway and highway construction.

Index of Construction Employment (1) (June 1, 1941 = 100)

	May 1, 1950	May 1, 1949
All Construction and Maintenance.....	112.7	113.7
Building.....	157.2	150.5
Highway.....	88.9	95.3
Railway.....	78.1	82.6

(1) In establishments employing 15 persons or more.

Further expansion in highway construction during the season is indicated by a heavy increase in the value of contracts awarded for engineering work, a large part of which is road work. The six-month total in 1950 was \$101 millions, as against \$79 millions last year. Building construction is also above 1949 levels in the residential, industrial and business fields.

Further wage increases have been granted to skilled trades within the construction industry this year. An index of wage rates, computed by MacLean Building Reports Ltd., was estimated at 209.7 (1935-9-100) at May 1, 1950. At the same date last year, the comparable figure was 201.9. Wage rates in the larger cities at May 1 generally fell within the following rates: bricklayers, \$1.60-1.88; carpenters, \$1.40-1.68; cement finishers, \$1.40-1.63; electricians, \$1.50-1.78; labourers (common), \$0.85-1.23; labourers (skilled), \$0.95-1.23; painters, \$1.35-1.58; plasterers, \$1.60-1.93.

AGRICULTURE



Although the supply of year-round labour for farming has been better this year, farm help during June was in short supply in some areas. Employment opportunities in other industries, particularly logging and construction, have drawn off a large number of workers who might have taken farm jobs, particularly since the wages paid in agriculture are generally lower. Monthly wages offered in most regions were from \$75 to \$100 per month, plus board which, in combination with long hours, have failed to attract many workers.

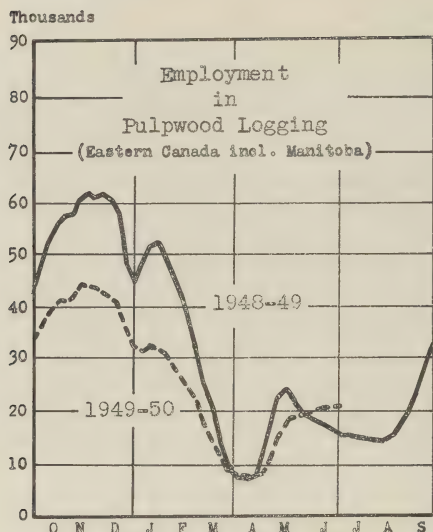
There was a drop in the demand for help after the completion of seeding about the middle of June. This was particularly noticeable in the Prairies, where labour requirements for crops other than grain are light. Later in the month, such work as berry-picking in British Columbia and haying in Eastern Canada required large numbers of men.

There were two particular areas of labour shortage during June which were supplemented by large numbers of outside workers. In Ontario, the annual organized movement of harvesters from the Prairies and the Maritime was under way, although some difficulty was being experienced in securing the 1,000 men needed. In the Prairies, the number of persons willing to make the trip was small, as wages in local farm work were higher than the minimum offered in Ontario. A satisfactory number of workers was obtained in the Maritimes, although their quality was not always high.

In British Columbia, berry pickers were required for the lower mainland crop. These requirements were met by movements of workers, mainly women, within the province.

Additions to the farm labour force through immigration have been fewer this year than in 1949. The total number of immigrants of the farming class admitted in the first five months was 6,600 as against, 8,600 in the comparable period last year. In part, this is due to the fact that fewer D.P.'s have been requested by farmers, to be brought in by the Department of Labour. Requirements for beet work have been substantial, however, with nearly 700 persons brought in for this work in the first five months of 1950. About 200 Newfoundlanders were moved into Ontario during May and June to engage in year-round farm work. The movement was carried out under the auspices of the Department of Labour and the National Employment Service.

FORESTRY



as reported by Canadian Pulp & Paper Association

Shortages of experienced men were a limiting factor to log production in both Eastern Canada and on the West Coast during June. More summer cutting is being done in the East this year, as demand for lumber and newsprint remains strong and inventories are short, but qualified men available for work are scarce. River driving was being completed by the end of June and labour requirements were for cutters, peelers and sawmill hands. The following table shows the trend of employment amongst member companies of the Canadian Pulp and Paper Association:

Date	1950	1949
June 3	19,729	19,781
June 10	19,922	18,751
June 17	20,408	17,604
June 24	20,473	16,845
July 1	20,609	15,709

This statistical data shows that logging employment expanded steadily during the month of June. This was in contrast to the downward movement of employment which took place in June, 1949. The figures given cover only part of the industry, those loggers employed by member companies of the Association, but seems likely that employment in this industry as a whole would follow the same trend, as logging jobbers in all logging areas were seeking men during the month. Labour turnover was reported as high during June, partly because of workers leaving for jobs in other industries and also because of the fly season and hot weather.

Some 32,000 workers in the Pacific area will benefit from a new collective agreement reached during June after the union, the International Woodworkers of America, had threatened strike action. The settlement calls for a 12½ cent-an-hour increase across the board and a 40-hour five-day week. Other clauses include maintenance of membership and time and a half for Saturday and Sunday work. The basic wage in the industry will now be \$1.20½ per hour.

In the Fraser Valley area, several camps and sawmills were closed during the first part of June due to flood conditions. Shut-downs lasted for a period of one to two weeks, with over 1,500 men unemployed. In some plants, the shut-down was declared as the holiday period for the year.

MINING



The labour market in the mining industry was highlighted by two local employment problems during June. The first was the movement of unemployed iron ore miners from Newfoundland to Northern Ontario and Manitoba hard rock mines. About 125 men were involved in the shift. Most of them were young men, in their middle twenties and thirties, from Portugal Cove and Bell Island, who plan to settle permanently in their new location.

In Alberta, suspension of mining at the Mountain Park Coal Co.

mine at Cadomin was announced during June. It was estimated that about 130 men were affected, some of whom would be absorbed at Luscar or in new mines at Forestburg. In the same area during June, a fire at Brazeau Collieries at Nordegg threw a reported 450 men out of work and five men lost in the workings of the Cadomin Coal Co. after a flood.

Activity in the western petroleum industry was picking up during June. Alberta, next to Texas, is the most active exploration area in the world. Some 3,000 persons are working with geological surface crews and geophysical parties; another 3,800 are operating drilling rigs; and some 2,000 are required to control existing wells and pipelines. In addition, about 1,250 men are being employed for a period of about 120 days on the construction of the new pipeline to Superior.

FISHING

Activity in the fishing and fish processing industries on the

East Coast picked up during June and fish handlers, cutters and filletters were in demand. In the Maritimes, good landings of sardine, herring, cod and halibut were reported. Good cod fishing was reported in Newfoundland and caplin have been abundant. Salmon fishing was light but lobster was very successful this year.

In British Columbia, the halibut season was most profitable, with the price reported as the highest ever at from 25 to 30 cents per pound for top grade. The sockeye salmon season opened on June 17 on the Skeena and Naas rivers and fish canneries were increasing employment. Landings in the Pacific area in the first five months of 1950 totalled 193.4 million lbs, an increase of 19 per cent over the same period in 1949. The value of the catch was above last year also, totalling \$4,802,000 as against \$4,497,000 in 1949.

Total production of Canadian fisheries during the first five months of 1950 were 349.4 million pounds with a total value of \$16.1 millions. These data represent an increase of 14 and 18 per cent respectively over the comparable 1949 figures. Exports during the first four months reached \$31.8 millions in value, some 5 per cent over the same period in 1949. Data for Newfoundland are not included in these figures.

Landings and Landed Values of Sea Fisheries⁽¹⁾

Region	Landings - '000 lb.				Value - \$ '000			
	May		First 5 Months		May		First 5 Months	
	1950	1949	1950	1949	1950	1949	1950	1949
Atlantic.....	131,577	111,305	205,978	188,311	6,069	4,443	11,291	9,152
Pacific.....	15,458	15,578	193,446	162,739	2,204	2,092	4,802	4,497
Canada.....	147,035	126,883	399,424	351,050	8,273	6,535	16,093	13,649

(1) Does not include Newfoundland.

CURRENT LAY-OFFS IN MANUFACTURING

In the month of June, non-seasonal lay-offs in manufacturing industries were very light. The 1,069 lay-offs reported during the month continued to run well below the peak reached last winter.

This drop in the number of lay-offs reflects a general improvement in economic conditions following the upturn in the American economy, the continued high level of domestic purchasing power, and a heavy domestic investment program. As well, many of the adjustments in employment following loss of overseas markets, as in the textile industry, have already been made although short-time work continues in many plants. Similar changes in employment levels have also taken place in such other industries as agricultural implements and shipbuilding in which employment had been based on a non-recurring type of demand in the early post-war years.

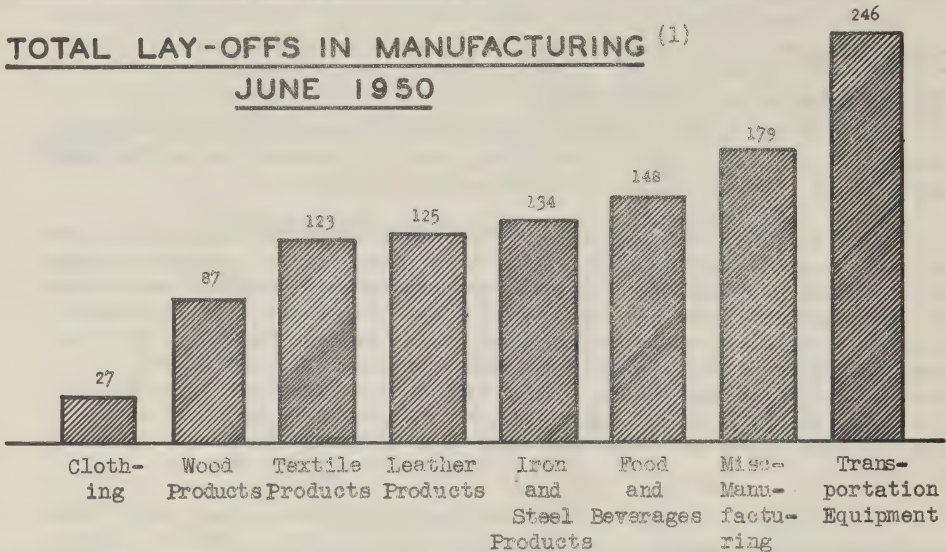
While the number of non-seasonal lay-offs was very light, seasonal patterns of employment comparable to the pre-war period are becoming much more noticeable, particularly in the textile, farm machinery, and footwear industries. Several thousand textile workers were on short-time in June, as well as many leather workers. Production schedules in several of the major farm implement firms were completed in June; consequently, some 400 workers were released and about 800 were placed on short-time.

Thus, while non-seasonal lay-offs become progressively lighter, seasonal lay-offs are increasing. Some firms are lengthening holiday periods which will result in an increase in short-time claims for unemployment insurance.

Aside from the seasonal slump in the textile and footwear industries, a shortage of orders is also being felt. Many lay-offs took place in these two industries when business activity was at its seasonal peak. The Gutta Percha Co. at Toronto is reported as intending to discontinue the production of footwear which has constituted over 50 per cent of this firm's production to date. Only 38 per cent of the staff will be retained.

Actually, however, there were very few large lay-offs in the month of June, and most of these were because of lack of orders. A leather firm at Quebec city went out of business releasing 125 workers. In the shipbuilding industry, the Midland Shipyards Ltd. at Midland, released an additional 151 men, while the Pacific Drydock Co. Ltd. at North Vancouver laid off 75 men. A Vancouver meat canning firm - Hedlund's Ltd. - laid off 69 workers and this lay-off may be permanent due to increased competition.

TOTAL LAY-OFFS IN MANUFACTURING ⁽¹⁾ JUNE 1950



Reported Non-seasonal Lay-offs in Manufacturing by Industry (1)

Industry	Reported Lay-offs During June, 1950		Employment at April 1, 1950 (2)	
	Number of Plants	Number of Workers	Number	Percentage Change from Previous Year
Iron and steel products	4	134	152,400	- 7.2
Transportation equipment	3	246	126,700	+ 4.9
Food and beverages	4	148	108,100	+ 4.3
Textile products	3	123	101,000	- 3.3
Wood products	4	87	78,900	+ 1.0
Clothing	2	27	69,900	+ 3.4
Miscellaneous mfg.....	2	179	51,800	+ 4.5
Other (3)	-	-	324,800	-
Leather products	1	125	30,500	- 3.5
Total	23	1,069	1,044,100	- 1.2

(1) As reported by National Employment Service offices.

(2) Source: Employment and Payrolls Branch, D.B.S.

(3) Employment in the eight industries in which no lay-offs took place in June, 1950.

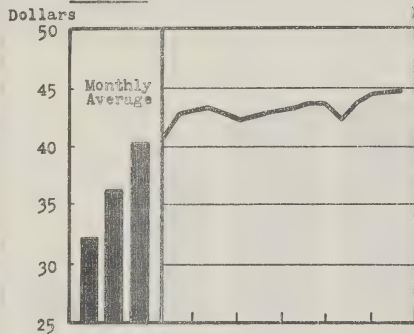
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- ▲ REGIONAL
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- ▲ LABOUR MARKET RATING
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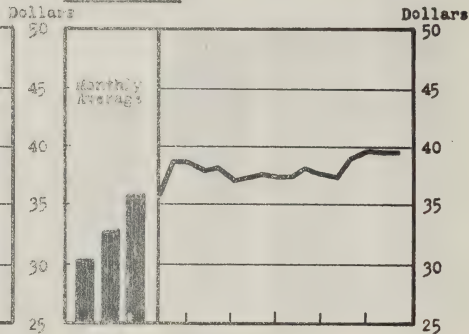
AVERAGE WEEKLY EARNINGS

(Eight Leading Industries)

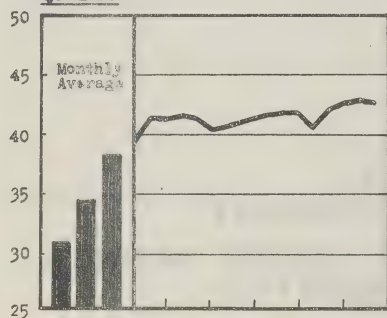
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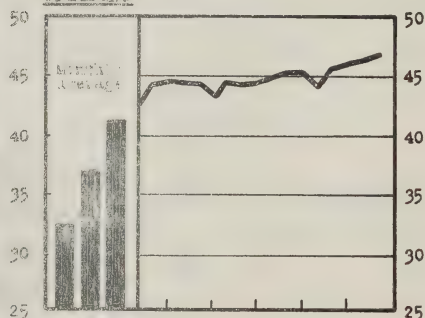
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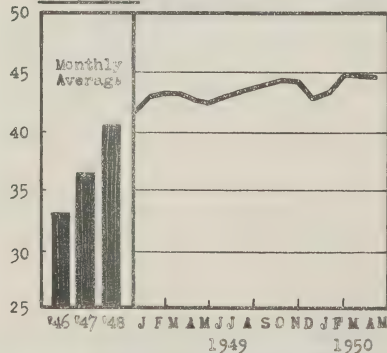
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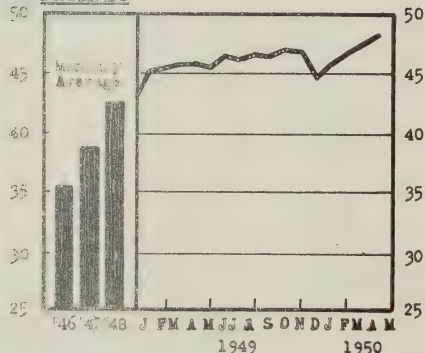
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PRAIRIES

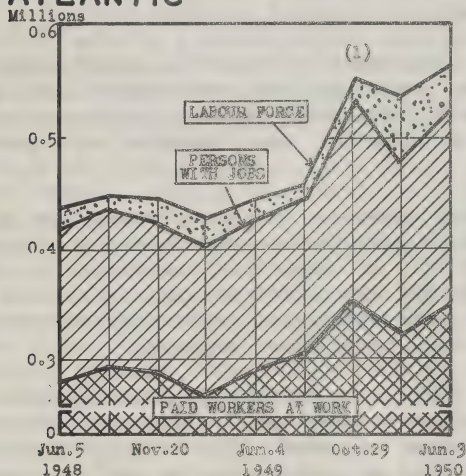


PACIFIC



REGIONAL LABOUR MARKET

ATLANTIC



(1) Includes Newfoundland from Oct. 29, 1949.

Employment conditions in the Atlantic region continued to improve during June. The number of applications for work on file with National Employment Service offices in the region declined to 40,600 at June 29, 22 per cent below the figure at June 1. Of the current total, over 16,900 were registered in Newfoundland, where the decline during June was 14 per cent.

Major factors in the improving situation during June were the continuing increase in construction, especially building activity; the maintenance of strong domestic demand for lumber, and demand from the United States for both lumber and newsprint; and a sudden upswing in fishing activity in New-

foundland. In addition, seasonal manufacturing was generally reaching high levels of employment, the tourist trade began to pick up during the month, and there was greater activity and a brighter outlook in some shipyards. Shortages of construction skills appeared in more areas of the region, and experienced woods workers became increasingly difficult to find in several parts of New Brunswick.

In NEWFOUNDLAND, a shore cod fishery perhaps equal to last year's is now foreseen and, at the end of June, preparation of about 30 schooners was being rushed to take advantage of the balance of the Labrador fishing season. The Fisheries Prices Support Board decision to buy balances of 1949 cod held by fishermen may encourage still greater fishing activity, especially in conjunction with recently-announced federal government marketing arrangements for the 1950 catch. Pulp cutting employment continued to expand, with workers more willing to take woods employment since the extension of unemployment insurance to that industry. There has been no change in iron ore output on Bell Island, although the possibility of United Kingdom iron ore contracts seems a little brighter. Building activity increased appreciably during the month, and the U. S. government recently allotted over \$6 million for construction and installations at Argentia and Goose Bay. During June, the transfer was begun of about 375 workers to farm, mining and construction jobs in Quebec, Ontario and Manitoba.

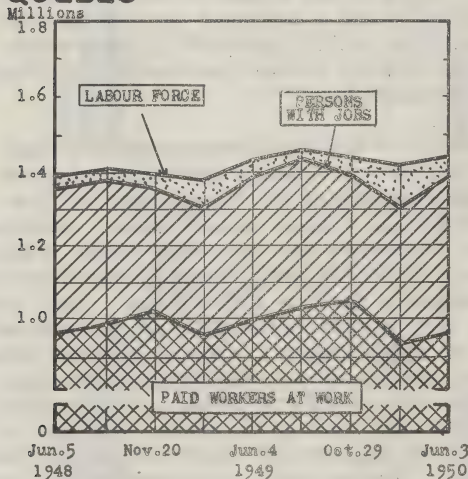
The number and value of building construction projects during the first six months of 1950 have roughly equalled the 12-month total for 1949 in HALIFAX, establishing an all-time record for the industry. There was greater activity in shipyards during June, and the outlook for this industry brightened considerably.

In CAPE BRETON, coal mines were fully active around Sydney, but slack in the Inverness area, where road work and electrification projects were absorbing substantial numbers. Building construction, although not at the high level anticipated, was proceeding at a good pace in Sydney.

Pulp and lumber cutting continued to expand during June in NORTHERN NEW BRUNSWICK. Some farm workers were transferred to Ontario as harvest help. Construction activity in Campbellton and Newcastle promised to absorb numerous workers, but was relatively quiet elsewhere in the area. Continuing shortages of woods workers in Moncton, Fredericton, Woodstock and Sussex attracted more North Shore loggers.

Fishing in the SAINT JOHN area resulted in heavy sardine catches, and the outlook for salmon is excellent. There was high-level activity on construction projects of all kinds, but the greater employment expected is not likely to be reached as contractors are shifting men from job to job.

QUEBEC



Under the influence of seasonally expanding activity, concentrated largely in construction, forestry and wood products, transportation and agriculture, employment in the Quebec region increased rapidly during the month of June, which saw a 22 per cent reduction in the number of registrants at National Employment Service offices throughout the region. At June 29, total registrations stood at 62,500, almost 18,000 less than at June 1.

Unusually strong demand for woods workers, originating not only locally but in Ontario and Maine as well, appeared in many areas of the region. Shortages of construction skills beset an increasing number of areas and were foreseen in others. Summer vacations brought temporary shut-downs to a variety of manufacturing industries. Hirings and lay-offs were roughly offsetting one another in textiles and clothing, the leather

and rubber industries remained largely on short time. In many other manufacturing industries, activity and employment were maintained at generally high levels or showed improvement over spring slackness.

More numerous job opportunities for men were accompanied in the MONTREAL area by a deteriorating employment situation for women. This condition was brought about by continued expansion in construction activity; an improvement in the heavy iron and steel industries, including shipbuilding and foundries; intense market gardening activity, estimated to have employed 2,000 farmers and 10,000 labourers during June; hirings in primary textiles; and fairly strong Ontario and Maine demand for bush workers. On the other hand, reduced production in secondary textiles and leather products continued, retail trade was only slightly improved, and resorts were not hiring female help in the usual numbers.

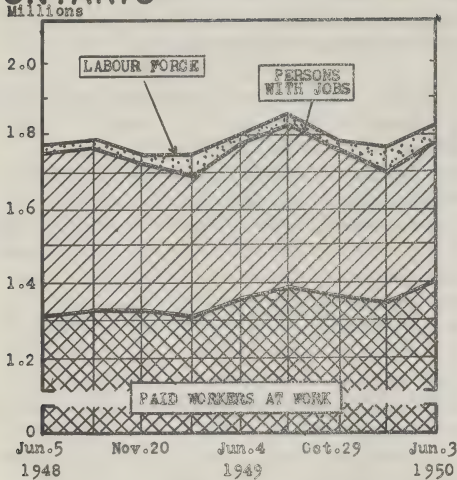
The shortage of pulpwood cutters in the QUEBEC CITY area is expected to ease when farming activity slackens, but skilled construction workers are expected to remain scarce. Employment conditions in the footwear industry deteriorated further during June; and the manufacture of civilian clothing employed fewer workers, although military clothing contracts kept other firms busy. Some seamen were finding casual employment on the waterfront, where port activity was substantial, and labourers were hired for railway extra gangs. In LEVIS, shipyard activity improved, a large number were engaged in fishing, and construction was fairly active.

Agriculture was very active in the EASTERN TOWNSHIPS, although low wages kept available farm help scarce. Some 700-800 workers, mostly from Beauce County, were employed on sugar beet work in St. Hilaire for two or three weeks. Throughout the area, there was continuing short-time and mixed hirings and lay-offs in textiles and clothing, rubber and leather products and hosiery. Heavy industries, however, were recalling some former employees as conditions improved slightly. National Employment Service offices in the area were unable to meet combined local and U.S. demand for pulp cutters, and this situation is expected to last for several months.

Strong demand for pulp cutters also was felt in the SAGUENAY - LAKE ST. JOHN district, some woods workers had been attracted to other areas by higher wages. The continuing river drive kept pulp and paper mills, sawmills and woodworking establishments at peak operations. A fairly good level of construction activity in the area employed considerable numbers, and the total will increase when full scale operations are reached on the new radar station planned for the Laurentides National Park. Employment at the aluminum plants in the area has continued to rise slowly.

Manufacturing employment in the HULL - BUCKINGHAM area continued to increase during June. Forestry operations were unusually active for this time of year, especially in Buckingham.

ONTARIO



In the Ontario region, continued expansion in agriculture, mining, lumber and pulpwood cutting, construction and many branches of manufacturing brought further increases in employment during June. Particularly strong among manufacturing industries were demands for labour from saw-mills, automobile and auto parts firms, producers of heavy transportation equipment and rubber products. Short-time continued, on the other hand, in many foundries; while agricultural implements workers were laid off or put on short-time, and short-time and lay-offs appear to have outweighed hirings by textiles and clothing manufacturers. Some industries were planning to extend vacation shutdowns in the hope of avoiding short-time or lay-offs.

As a result of the net increase in employment opportunities arising from these conditions and from less marked developments in other industries, registrations with National Employment Service offices in the region declined 12 per cent during June. The total number registered at June 29 was 48,200, about 6,800 less than at June 1. This is, however, considerably reduced from the May decline of 27,500, or 33 per cent.

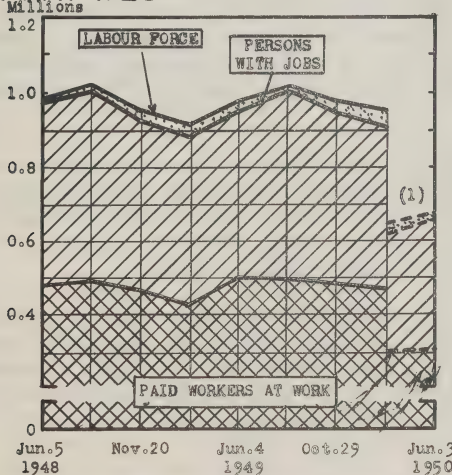
Increased demand for farm help appeared in the TORONTO area, with a scarcity of experienced workers. Because of a slackening in live-stock deliveries, the large packinghouses were not hiring workers. Textiles and clothing manufacturing generally operated on short-time, and there were scattered lay-offs, the usual seasonal situation. Wood and rubber products manufacturing continued to be busy, with shortages of some skills in the former. Activity was maintained in the heavy industries, but agricultural implements manufacturing became seasonally slack and many workers were released. Greater demand than in 1949 for construction workers has created definite shortages of several skills, and an increasing level of activity was maintained in the industry; but there were signs that some construction materials were becoming scarce. Railway and lake shipping continued to absorb numerous workers, but there was a surplus of seamen.

Difficulty was experienced in attempting to meet the continuing strong demand for farm help in the LONDON area, where there was noticeable improvement in employment conditions in leather products, textiles and

hosiery manufacturing, recently on general short-time. The strike of over 300 workers at a local plumbing supplies plant continued throughout the month; while screening of applicants for jobs at the new diesel works, now in the final stages of construction, was almost completed. Textile and rubber products employment also improved in the KITCHENER-WATERLOO area, where most woodworking firms operated at capacity but furniture, leather and leather products manufacturing continued slack. Auto parts and accessories plants were kept at high level operations by peak activity of the automobile manufacturers. The construction industry was extremely active.

In ST. CATHARINES, the demand for farm help increased during June, pulp and paper, electrical equipment and construction materials manufacturing employment continued at a high level and auto parts manufacturers expanded their work forces. Some short-time work indicated the uncertain state of the textiles industry, and the production of agricultural implements slackened. Construction activity appears likely to establish new records, and service workers suitable for summer resorts were becoming scarce. The commencement of a night shift on automobile assembly, involving the eventual hiring of 1,300 to 1,500 additional workers, greatly increased employment opportunities in the OSHAWA area, where manufacturing generally maintained capacity operations during June. Here, too, construction workers of all kinds are becoming increasingly scarce as work gets under way on new projects.

PRAIRIES



(1) Excludes Manitoba due to flood conditions

The highest percentage decline in live registrations with the National Employment Service during June (28 per cent) occurred in the Prairie region, where job applications on file dropped from 39,300 at June 1, to 28,300 at June 29. This is the only region where improvement was greater during June than in May.

Increased activity in the primary industries and in construction was responsible for most of the improvement in employment conditions in the Prairies during June. Crop prospects are good in Manitoba and improved during June in many parts of Saskatchewan and Alberta; but most of the demand for farm help had been satisfied until harvest

time. Due to shortages of woods workers and greatly increased cutting programs, some operators in the Lakehead area may fail to meet summer

cutting quotas. Response to recruiting for the Ontario harvest excursion has been light. The expansion of construction activity and employment, while nearing record levels in some areas, was slower than had been anticipated, due to unfavourable weather, shortages of building materials and the effect of rising lumber prices in discouraging some building. However, there was no significant surplus of construction workers, there were even shortages of skilled workers in some areas.

Metallic mining in the region registered a steady demand for experienced miners, and coal mining operations in Alberta showed some improvement. Packinghouses and flour mills were seasonally quiet during the month, while the manufacture of clothing, pulp and paper and wood products was steadily active or expanding.

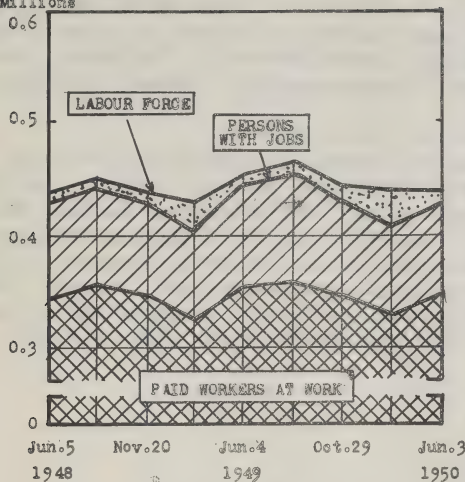
In the LAKEHEAD area, excessive moisture hampered some pulp cutting operations during June, but also virtually eliminated the forest fire hazard. Drives in the Fort William district were moving toward completion during the month. In Port Arthur, over 3,000 woods workers were employed on cutting, road and camp construction. The outlook for both areas is excellent, with Port Arthur operators planning a cut 50 per cent greater than last year's. Wood products manufacturing was below 1949 levels in Fort William, and the situation is expected to deteriorate further. Building levels at Kenora and Port Arthur were well below the comparable period of 1949.

Crop prospects in the WINNIPEG area are promising, although a late harvest is expected. The local fishery opened about two weeks later than usual, which postponed the demand for processing workers. Woods workers have been moving in fair numbers to the Lakehead. Manufacturing is returning to normal operations, and construction activity increased noticeably during the month.

In REGINA, crop prospects, livestock and pastures were generally very good. All construction skills were at a premium. Recent rains brought general optimism to the SASKATOON area, where crop prospects are much improved, as they are in the CALGARY area, where unseasonally light retail trade led to some staff reductions during June.

Oil production increased during the month and oil prospecting was extended in the EDMONTON area; but there was continuing short-time work in coal mining. Some pipeline operations were held up by shortages of pipe; but preliminary construction work on the much-discussed pulp and paper mill in the area was scheduled to begin around the end of the month.

PACIFIC



The employment situation in the Pacific region showed less improvement during June than that of any other region. Registrations on hand at the Employment Service declined 3,200 to a month-end total of 25,100. This represents a drop of 11 per cent, as compared to the May decline of 33 per cent.

During June, employment and economic conditions in the Pacific region faced two major threats, neither of which ultimately materialized. The first was the possibility of strike action by coastal loggers over wages and hours of work. Agreement was reached, however, and cutting and sawing activity increased during the latter part of the month, with strong demand for increasingly scarce skilled workers.

Shingle mills continued active, although a further increase in log prices was foreseen. The second threat was the prospect of floods, particularly in the Fraser valley. High waters have subsided, and this danger is now past.

The peak of activity in agriculture drew near during June, with berry picking getting under way, some haying begun and considerable employment in orchards, dairying and market gardening. A record halibut season, both in quantities caught and in prices obtained, ended during the month and preparations got under way for the northern salmon fishery, which would soon provide considerably increased employment opportunities in processing. Coal production was considerably below 1949 levels, but gold and base metal mining continued active, with increased demand for skilled miners, few of whom were available.

In construction, activity and employment in most areas of the region reached peak proportions, although there remained scattered pockets of unemployed construction workers at interior points. The increasing cost of lumber caused a number of building projects to be delayed and others to be cancelled. There was little activity during June in steel shipbuilding, although wooden shipyards remained quite busy. Job opportunities were numerous for truck drivers, railway extra gang workers and seamen as transportation generally expanded. Wholesale and retail showed marked improvement during the month, but the volume of tourist trade was below expectations.

A number of sawmills along the Fraser and Columbia valleys were shut down completely on account of high water, some in NEW WESTMINSTER itself, but most activity had been resumed by the end of June. Fruit and vegetable processing got under way toward the end of the month, and will provide considerable employment for some months, although late frosts damaged some crops.

Interior logging camps and sawmills were working at full capacity during June, and shortages of manpower for both cutting and milling appeared in PRINCE GEORGE. Fishing and fish processing in the PRINCE RUPERT area face the prospect of a record season if salmon runs and prices hold up. Numerous small sawmills in the area re-opened to take advantage of the continuing rise in lumber prices, and shipyard activity was maintained at a good level during the month. Lack of orders meant the shutdown of coal mining operations until fall in this district.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I--Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II--Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III--Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV--Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for June and July of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio July 1, 1950	Group Rating		
		July 1, 1950	June 1, 1950	July 1, 1949
<u>Population of 100,000 and over</u>				
Quebec.....	9	III	III	III
Winnipeg.....	8	III	III	III
Vancouver.....	8	III	III	III
Windsor.....	6	III	III	III
Hamilton.....	5	III	III	IV
Montreal.....	5	III	III	IV
Calgary.....	5	III	III	IV
Victoria.....	5	III	III	IV
Ottawa.....	4	IV	III	IV
Edmonton.....	4	IV	IV	IV
Toronto.....	3	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	14	III	II	III
Saint John.....	10	III	III	III
Halifax.....	10	III	III	III
Fort William and Port Arthur.....	9	III	III	III
Regina.....	3	IV	IV	IV
London.....	3	IV	IV	IV
Kitchener.....	1	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	22	II	II	III
Hull.....	11	III	III	III
Shawinigan Falls.....	9	III	III	III
Sherbrooke.....	9	III	III	III
Three Rivers.....	7	III	III	III
Kingston.....	6	III	III	IV
Brantford.....	5	III	III	IV
Oshawa.....	5	III	III	III
St. Catharines.....	4	IV	III	IV
Peterborough.....	4	IV	IV	IV
Saskatoon.....	3	IV	IV	IV
Sault Ste. Marie.....	2	IV	IV	IV
Sudbury.....	2	IV	IV	IV
<u>Population of under 25,000</u>				
Pictou - New Glasgow.....	20	II	I	III
Valleyfield.....	14	III	III	III
Amherst.....	10	III	II	III
Sorel.....	7	III	III	II
Welland.....	7	III	III	III
Niagara Falls.....	4	IV	IV	IV
Trail.....	3	IV	IV	IV

EMPLOYMENT EFFECTS OF INDUSTRIAL EXPANSION

Industrial expansion in Canada during the first six months of 1950 was maintained at 1949 levels and, in view of the volume of industrial contracts already let, it is improbable that any slump will occur for the rest of this year. The value of industrial contracts awarded in the first six months was \$70.5 million, slightly higher than in the comparable period during 1949, but below the 1946 peak of \$81.5 million.

Direct employment created by plant expansion in the first six months this year, as reported to the Department of Labour, was 4,300. This compares favourably with the number of new jobs in 1949, but is estimated at about 50 per cent below the 1948 total.

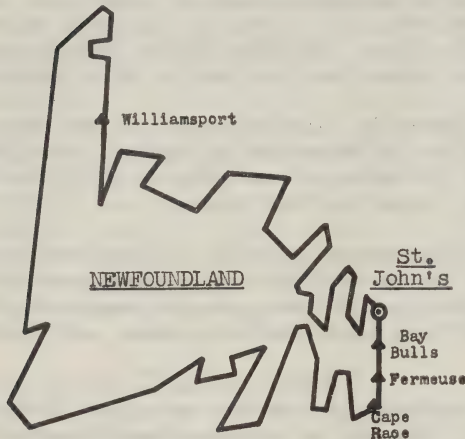
At least 2,000 new jobs became available in Canadian manufacturing industry in the second quarter of 1950 due to plant expansion. These appeared for the most part in the transportation equipment, (diesel-electric locomotives, automobiles), electrical apparatus, and chemical industries.

Projects recently completed include the new plant of General Motors Diesel Ltd., at London, Ontario, to produce diesel-electric locomotives, which will require 1,000 workers. Chatco Steel Products at Tilbury, Ontario is now producing Hudson motor cars and hired an additional 194 men. Dow Chemical of Canada Ltd. built an extension at Sarnia, Ontario and hired an additional 12 workers; a large new plant is also under construction.

The electrical apparatus industry showed considerable growth in the second quarter of 1950. The Canadian General Electric Co. recently completed expansion projects at Toronto, and Barrie, Ontario, to employ 60 and 40 new workers, respectively. The Electrical Products Mfg. Co. at Montreal, will employ 100 new workers. The Minneapolis-Honeywell Regulator Co. Ltd. at Toronto has finished one plant extension at Toronto, Ontario, which will require 50 additional workers, and has just commenced construction on another plant building which will require another 100 workers late in 1950.

At least 1,000 new jobs have already been confirmed for the third quarter of 1950, and this total is by no means complete. The following are notes on future expansion projects:

North Eastern Fish Industries, Limited: An important development in the fishing industry is taking place at Fermeuse, Newfoundland. The North Eastern Fish Industries, Limited of Harbour Grace, has started construction on one of the largest and most modern fish processing plants of its kind in Eastern Canada. In addition to the plant, two more steel trawlers will be procured.



This project will benefit a large number of people, particularly along the shore between Bay Bulls, and Cape Race. It will provide employment for 160 to 200 workers. Besides the general labour required for processing, there likely will be required four or five trawler crews, around 100 fishermen, as well as many shore fishermen in the surrounding towns. It is hoped to keep this plant operating for eleven months of the year. Plant capacity will be around 50,000 lbs of frozen fish fillets per day, working two shifts. The plant should be completed early in 1951.

Crosbie and Company, Ltd: Also in St. John's, Newfoundland, Crosbie and Company Ltd. are expanding their

Williamsport plant to produce homogenized condensed fish, from caplin. Delays in securing special machinery have temporarily held up production. This new operation will help idle shore fishermen by providing an outlet for caplin. Williamsport, as shown on the map, is on the northern coast of the island.

St. Regis Paper Company: At St. Johns, Quebec, the St. Regis Paper Company of Trenton, New Jersey, is constructing a new plant for the manufacture of laminated plastics. It is anticipated that the building will be completed in September of 1950, and that production will commence no later than November or December of this year. Jobs will be available for approximately 150 employees.

Canadian SKF Company, Limited: At Toronto, Ontario, the Canadian SKF Company, Limited a large producer of ball and roller bearings will complete a new \$1 million plant in August or September of this year. Full production will require 250 new workers. Breaking in new machines, and testing new methods will take some time, so that full production will not be reached for two or three years.

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION (1)

- Third Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Atlantic</u>			
Bridgetown, N.S.	M.W. Graves & Co.Ltd.	Food & Beverages	100
<u>Quebec</u>			
Drummondville	H. & R. Arms Co.Ltd.	Iron & Steel Prod.	35
Montreal	Decarie Boiler & Incinerator Ltd.	Iron & Steel Prod.	10
	Dominion Glass Co.	Non-Metallic Minerals	50
Richmond	Canada Hosiery Mills Ltd.	Textiles	10
St.Hyacinthe	Consolidated Textiles Ltd.	Textiles	45
<u>Ontario</u>			
Arnprior	Canadian Public Booth Co. Ltd.	Wood Products	25
Burlington	A.A. Nicholson & Son Ltd.	Wood Products	25
Kitchener	Dominion Electrohome Industries Ltd.	Electrical Apparatus	40
London	Forest City Knitting Co. Ltd.	Textiles	20
	Hobbs Glass Ltd.	Non-metallic Minerals	25
Owen Sound	Barker & Moore Hosiery Ltd.	Textiles	24
Prescott	Louis Fischl Glove Co. Ltd.	Leather Products	3
	Prescott Brass Mfg.Co. Ltd.	Non-ferrous Metals	10
Toronto	Canadian SKF Company	Iron & Steel Prod.	250
<u>Prairies</u>			
Red Deer, Alta.	Western Cement Ltd.	Non-metallic Minerals	50
<u>Pacific</u>			
Vancouver	The Vancouver Sun	Printing & Publishing	10

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

A N A D I A N

LABOUR MARKET

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ECONOMICS AND RESEARCH BRANCH

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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

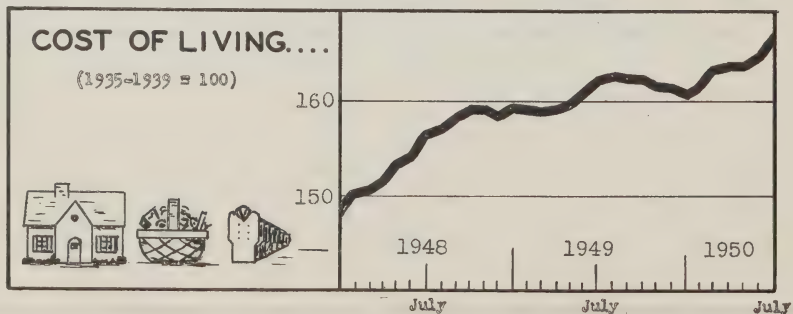
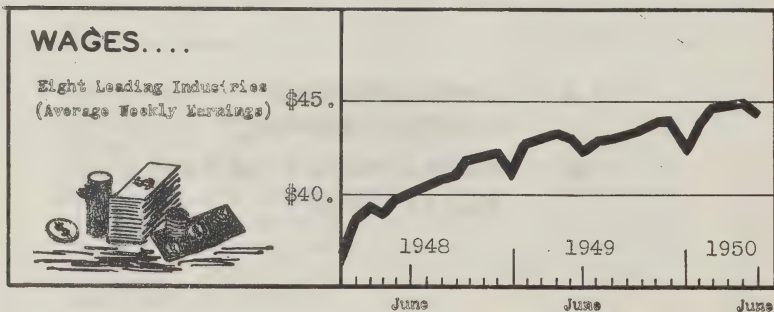
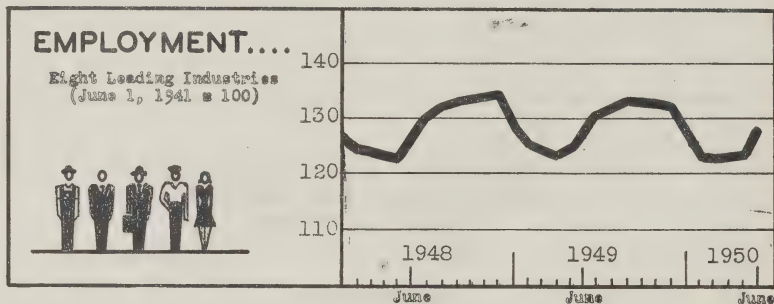
authorized by
Hon. Milton Gregg, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian Labour Market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS.....

- ▲ THE CURRENT
LABOUR MARKET
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

LABOUR MARKET TRENDS....



THE CURRENT LABOUR MARKET

By the middle of August, exceptionally prosperous employment and economic conditions prevailed throughout Canada. About 97 out of every 100 workers in the country had jobs with weekly earnings that averaged the highest on record. At August 17, applications for employment on hand with the National Employment Service totalled 147,400 about 285,000 less than the peak four months earlier. All regions shared in this decline with the improvement being particularly noticeable in Ontario and British Columbia. Applications on hand from men were 7,000 fewer than at the same time last year, although they were 15,000 greater in the case of women.

At that time, the employment situation was reflecting the continuing high levels of consumer income, the large investment expenditures still being made, the strong demand for Canada's products in the United States, as well as the additional stimulus being provided by stepped-up defense preparations in both Canada and the United States. In some industries and areas, shortages of workers had begun to appear.

On August 22, however, 125,000 railway workers went on strike as a result of the breakdown of negotiations with the two major railway companies. About 45,000 non-striking railway employees were almost immediately thrown out of work. A growing number of lay-offs began to occur in other industries throughout the country as storage facilities for finished products became scarce and shortages of basic materials began to appear. By August 28, reports from National Employment Service offices across the country indicated that about 20,000 workers had been laid off. In addition, many plants were introducing shorter hours as an alternative to lay-offs. Much larger lay-offs were pending.

Prior to the railway strike, manufacturing industries such as those producing primary iron and steel, automobiles and electrical apparatus were operating at capacity. In mines, in pulp and paper plants and in sawmills, employment was being maintained at or above last year's level in response to the continuing strong demand both in Canada and from the United States. In some industries, such as primary iron and steel, construction and agriculture, employers were finding some difficulty in obtaining the types of skilled labour required to meet their needs.

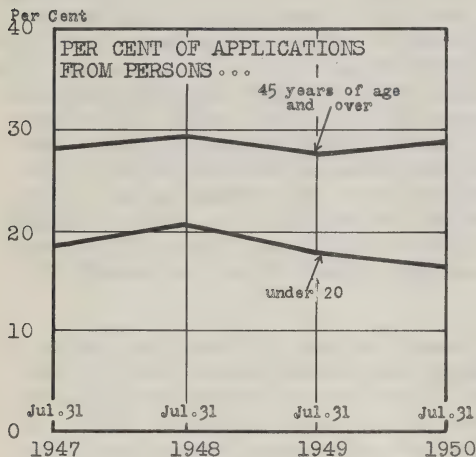
Average weekly wages for workers in industries other than agriculture were \$44.61 at the beginning of June, almost 5 per cent greater than one year ago. Workers in manufacturing were getting \$46.00 and, when their wages were balanced against the increased prices of consumer goods and services, the purchasing power of their pay envelopes was still 4 per cent above that at the same time last year, although slightly below that at the beginning of 1950.

CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	Aug. 3	158,066	- 22.7	-	-
Per cent of labour force.....	June 3	3.0	4.0★	2.7★	-
Per cent of paid workers.....	June 3	4.4	6.2★	4.2★	-
Ordinary live claimants.....	Aug. 1	92,520	- 15.5	+15.8	+44.6
Per cent of insured population..	Aug. 1	3.4	4.1★	3.2★	
Per cent of live applications for employment.....	Aug. 3	58.5	53.5★	57.1★	
Amount of benefit payments.....	July	\$4,726,614	- 29.9	+14.2	+59.6
Index of employment (June 1, 1941 = 100).....	June 1	128.4	+ 3.9	+ 0.8	- 0.6
(Eight leading industries)					
Immigration.....	May	8,362	+11.3	- 9.0	-27.0
<u>Earnings and Income</u>					
Total labour income.....	May	\$659,000,000	+ 2.6	+ 5.9	+ 4.2
Average weekly salaries & wages (Eight leading industries)....	June 1	\$44.61	- 0.9	+ 5.4	+ 3.7
Average hourly wages (mfg.).....	June 1	\$1.035	+ 1.0	+ 4.4	+ 3.9
Average hrs. worked per week (mfg.)	June 1	41.9	- 1.2	+ 2.7	-
Average weekly wages (mfg.).....	June 1	\$43.37	- 0.2	+ 7.3	+ 3.9
Cost-of-living index (Average 1935-39 = 100).....	July 1	167.5	+ 1.3	+ 3.3	+ 2.5
Real weekly wages (mfg. Average 1946 = 100).....	June 1	107.2	- 1.1	+ 4.1	+1.6
<u>Industrial Production</u>					
Total (Average 1935-39 = 100)....	June	201.0	+ 1.9	+ 5.6	+ 3.9
Manufacturing.....	June	210.8	+ 2.2	+ 5.2	+ 2.8
Non-durables.....	June	191.3	+ 1.3	+ 4.7	- 2.5
Durables.....	June	244.2	+ 2.9	+ 5.9	+ 3.6
<u>Industrial Relations</u>					
Strikes and lockouts-days lost...	July	50,750	+ 68.3	- 12.5	-71.2

* These figures are the respective percentages for the previous month and for the same month last year.

EMPLOYMENT SERVICE ACTIVITIES



Heavy demands are being placed on Employment Service officials to find suitable help for employers as the Canadian economy moves into a period of mild labour shortage. Reported demand for male workers was running 45 per cent above last year's levels and remained steady throughout July. Usually there is a lull in hiring during the summer holiday season, but this year placements both for men and women remained well above the 1949 level. Short-time work had all but disappeared and unemployment insurance claims for this type of unemployment were rapidly nearing last year's levels.

Unskilled workers were particularly in demand and requirements were being met in nearly every industry but logging, where applicants were scarce. Metalworkers were also being required in increasing numbers, partly as a result of the tense international situation, and labour supplies were already considerably lower than last year. The construction work-force appeared to be in fairly even balance with demand, and registrations at employment offices among the skilled trades were approximately equal to last year's level.

Except in Newfoundland, male applicants at the beginning of August were approximately the same number or less than at this time last year. Women workers were in more plentiful supply this year although there were still shortages in some occupations; stenographers, typists, domestics, waitresses, as well as professional dieticians and teachers, were needed in most parts of Canada.

As usual each summer, more workers are being moved from area to area to meet the demands of employers. In agriculture, these movements again took the form of organized transfers and during July, four, involving some 1,500 persons, were underway in various parts of the country. In addition, woods labour was being transferred to logging camps, mine workers were being brought into labour-short areas and construction and other industrial workers were being moved to jobs when the need arose; Newfoundland provided a number of these workers. However, much of the mobility which is essential to the Canadian labour force was taking place without the specific direction of the Employment Service. The strong demand for help in the Prairies had attracted a large number of transients and in this way the labour market had remained in relatively even balance.

The pronounced improvement in the employment situation as a whole tended to focus attention on the female labour market, where applications had greatly increased over the year. Some 58,500 applications from women were on hand at the beginning of August as against 41,900 last year. This increase of 40 per cent compares with a rise of 2 per cent for men during the period. The additional female workers now registered are largely married women between the ages of 20 and 44, a much larger proportion of whom are claiming unemployment insurance than at this time last year. About fifty per cent of the increase was from women in the clerical trades or the textiles industry, with the remaining gain being fairly evenly divided between the sales occupations, the service trades and general unskilled occupations. It is significant that the increase in applicants occurred in all regions and appears to be the result of the high living costs.

Employers have kept up a steady stream of orders for youths even during the past winter when labour demand was weaker than in the past ten years. By the end of July, 17 per cent of the applications on hand were from persons under 20 years of age, much less than usual for this time of year. Lack of education was a deterrent in placing a few applicants, but high school graduates could usually find jobs with relatively little difficulty.

There was, however, a substantial increase in the number of older persons in the labour market with 29 per cent of the applications on hand at the end of July from persons 45 years of age and older. This summer, because of the heavier displacement of workers in the winter, the problem of the older worker is even greater.

Placement Operations of the National Employment Service

Series	Average Weekly		
	June 1950*	May 1950	June 1949
Applications x.....	36,000	36,000	32,000
Vacancies Notified.....	27,000	27,000	23,000
Placements.....	18,600	18,800	15,500
Women.....	4,800	4,700	4,500
Veterans.....	3,000	3,100	2,600
Handicapped.....	260	240	280
Executive and Professional.....	75	75	60

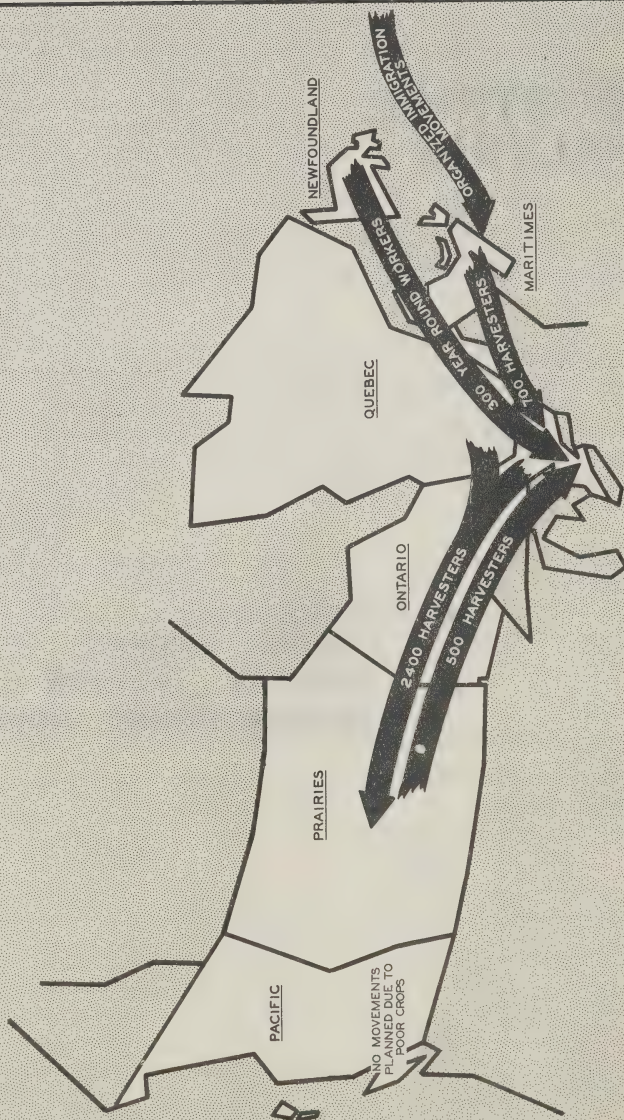
* Renewals not included.

* Latest data for which complete figures are available.

INDUSTRIAL ANALYSIS.....

- ▲ INDUSTRIAL
LABOUR MARKET
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

MAJOR ORGANIZED MOVEMENTS OF FARM WORKERS JULY 1950



INDUSTRIAL LABOUR MARKET

AGRICULTURE

Labour requirements for farm work were heavy during July, with additional workers required for haying and vegetable and berry harvesting. With a strong demand for labour in other industries, and increased shipments of farm products to the United States, the effective demand for farm help has been somewhat stronger than was expected this summer. However, farm wages appear to be holding at about last year's levels, although some farmers in Saskatchewan, where labour is scarce, are reported as offering as much as ten dollars per day.

About 1,200 workers participated in this year's movement to Ontario for the harvest. Of these, about 700 came from the Maritimes and the remainder from the Prairie provinces. In addition, some 250 year-round farm workers from Newfoundland have been moved to Ontario and Quebec with 40 more expected. About 2,400 men will be required for the annual harvest excursion to the West. About half of these will be directed to Saskatchewan, with the remainder divided equally between Alberta and Manitoba. The supply of workers in Alberta is more adequate because of the flow of workers into that province owing to oil and industrial expansion. Due to the poor crops in British Columbia, local labour will probably be sufficient to meet all requirements and no organized movements of workers from other provinces will be necessary.

To meet individual requests and to fill farm labour shortages, the immigration of farm workers has been continued this year. Farm workers brought in under organized immigration movements up to the end of July consisted of the following groups: 826 general farm workers; 60 farm families; 245 beet workers; and 704 families for beet work. In addition to these groups, 722 Mennonites and Lutherans were brought in this year by church organizations, to be sent mainly to the Prairie provinces. An interesting group of immigrants who were admitted this year was that of 237 single farm workers from Italy who are working on Quebec farms.

FISHING

Fishing communities on the East Coast were busier during July as both deep sea and shore fisheries were active. Most fish processing plants were working full time, although in areas where catches were poor a few were temporarily on a three or four-day week. Landings of cod were heavy during the month, with the herring, sardine, and salmon fisheries also under way. Prices received were generally above 1949 levels, although the sardine market was reported as poor and, with large catches, there was a surplus on hand. The

general improvement in price was reflected in an increase in the value of fish landings on the Atlantic Coast in the first six months of the year, the total of \$16.2 millions representing a gain of more than \$2 millions over the same period in 1949. During July, the first shipment of processed fish in the refrigerated ship service from Halifax to the United States took place thus creating additional employment in processing plants and ship loading staffs.

Salmon was the most active fishery on the West Coast during July with some 2,000 boats reported out. As a result, canneries were steadily adding to their staffs during the month. On the whole, the Pacific Coast industry is enjoying an active year, for sockeye salmon as well as other species, with a landed value of \$24.1 millions to the end of June as against \$20.0 millions in the first six months of 1949. Improved value of sales of halibut, herring and salmon were responsible for the major part of this increase.

MANUFACTURING

Employment in the manufacturing industries will be more directly affected by the international situation than other industries, although a general strengthening of the Canadian economy is to be expected. Present employment, which at 1,325,000 is fractionally below last year's levels, is expected to be slightly higher than 1949 for the rest of the year.

Increased defense requirements will materially assist employment in producers' goods industries. In particular, a step-up of production of aircraft and the re-conditioning of naval vessels will reverse the downward trend of employment in these industries, while orders for electronic equipment and various types of vehicles will likely cause a further expansion of employment in those sectors. An order for naval guns has already been indicated for Sorel. It seems probable also that the impact will spread to the textile and raw material producers. In the industrialized areas, large numbers of skilled workers may be required and shortages of key workers may impede employment expansion.

Food products: This industry is now approaching its most active season and employers have been adding staffs, particularly in the fruit and vegetable processing and fish canning groups. The total number of workers employed in the industry was about 120,000 at June 1.

The high level of domestic income will ensure a strong market for cannery products during the coming year but employment expansion may be limited by heavy inventories accumulated during the past two years and by the poor fruit crop in British Columbia.

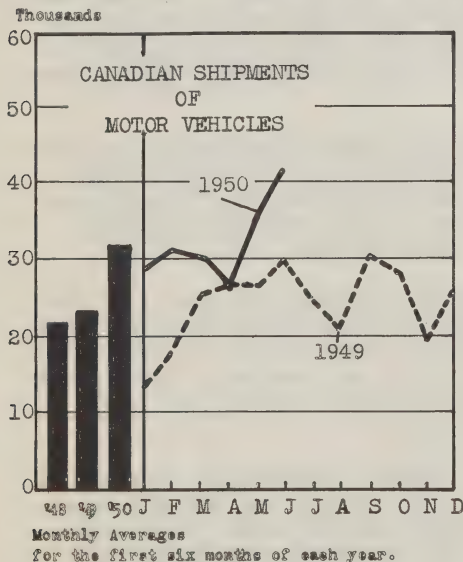
Demand is strong for meat products and employment, now reported at 20,000, is expected to maintain this level. The effect of increased shipments of live cattle and dressed meat to the United States

has been partly offset by a general increase in cattle and hog supply. The bulk of the cattle shipments have been concentrated in the West and the employment effect, if any, will be felt in that area.

Although the number employed in the beverage industry this year (21,000) is about 1 per cent over 1949, employment opportunities have been limited by increased mechanization and by the cool weather which has reduced sales. An official of a large soft drink concern in Toronto states:

"Last year at this time we were operating three bottling lines and sometimes an extra one at night. Now one or two lines are enough to meet the demand. The type of weather we have been having is murder for our type of business."

Automobiles and parts: The automobile industry continues to provide a steadily increasing number of jobs for Canadian workers. The total number of persons employed at June 1 was over 50,000, roughly 10 per cent more than a year before. Factory shipments of cars and trucks in the first six months of 1950 totalled 192,000, as compared with the half-year total of 140,000 in 1949. As no cessation of demand is apparent in the immediate future, the chief restriction on future expansion will be tight steel supplies.



Much of this growth in employment has been as a result of new plants opening in Ontario, in such centres as Oshawa, Chatham, London and Toronto. Kaiser-Frazer and Nash cars now are being produced at Toronto, creating employment for 500 workers, and Hudsons are being assembled at Tilbury, Ont., by Chatco Steel Products Ltd. who have taken on 50 more men. At Chatham, International Harvester have completed an addition to their truck plant to produce parts formerly imported. Increased staff

requirements were estimated by the company at 75 persons. The Welles Corporation Ltd. in Windsor have acquired manufacturing rights for the Marmon-Harrington motor coaches which will create approximately 75 to 100 jobs. Among the parts plants, the following plants have been recently completed, with the employment increase shown in brackets: Ontario Steel

Products (50), Chatham, Ont.; Eaton-Wilcox-Rich (150); London, Ont., and Collins and Aikman (100); at Farnham, Quebec. Skinner Co. Ltd. metal stampings, at Oshawa have built a new plant but no new employees were required. In addition, General Motors, Ford and Chrysler have all been carrying out heavy investment programs.

Primary Iron and Steel: Even before the Korean crisis Canadian steel mills had orders on hand which would keep them busy until the end of 1950. Since then, the pressure for delivery has increased, with price no object, especially for light, flat-rolled products. As the industry has been operating at capacity for some time, however, employment in the industry has been increasing only at a slow pace.

A new union contract was signed by the Steel Company of Canada in May which is expected to set the pattern for the industry. Included in the new agreement was a 13 cent an hour wage increase spread over two years and a reduction in the work week from 44 to 40 hours per week. Algoma Steel has settled on a similar basis and a dispute over the Dosco agreement has been referred to a conciliation board.

While the shortening of the work week may result in staff additions, it is reported that applicants for this type of work are not always of the required physical qualifications. Many are those laid off from lighter industries, such as textiles, and cannot stand the hot heavy work in the steel mills.

Sawmills: Although uncertainties over market conditions existed early in 1950, sawmill employment now is above 1949 levels, since American demand is strong and the United Kingdom has come back into the market. The index of employment at June 1, 1950, was 123.9 (June 1, 1941 = 100); the same index at June 1 last year was 118.4.

In British Columbia, the entire production has been sold four months in advance, with prices firm and generally higher than last year. All mills have been working at capacity and some have put on second and third shifts in an effort to keep production at a maximum. Labour turnover is reported as low, which has reduced labour demand, but first-class highly skilled men are hard to secure.

Eastern Canadian mills have achieved considerable success in shifting to the United States market and an order of 100,000,000 board feet of spruce from the United Kingdom has been obtained. Increased sales to the United States have involved some plant changes, as the American buyers prefer dressed lumber. As a result, there has been considerable capital investment in the industry for dry kilns and dressing facilities.

CURRENT LAY - OFFS IN MANUFACTURING

Employment conditions continued to improve during July, and consequently, reported non-seasonal lay-offs were very light. There were lay-offs reported in only eight of the sixteen industries covered. The July total of 15 lay-offs involving 2,194 workers was very low, particularly in view of the fact that three firms accounted for 70 per cent of all lay-offs.

Although few non-seasonal lay-offs took place in manufacturing during July, the textile, leather, railway rolling stock, shipbuilding and flour milling industries were the weak spots of the industry. Many textile and leather plants were still on short-time in July, although the total amount of part-time in these industries appears to have lessened.

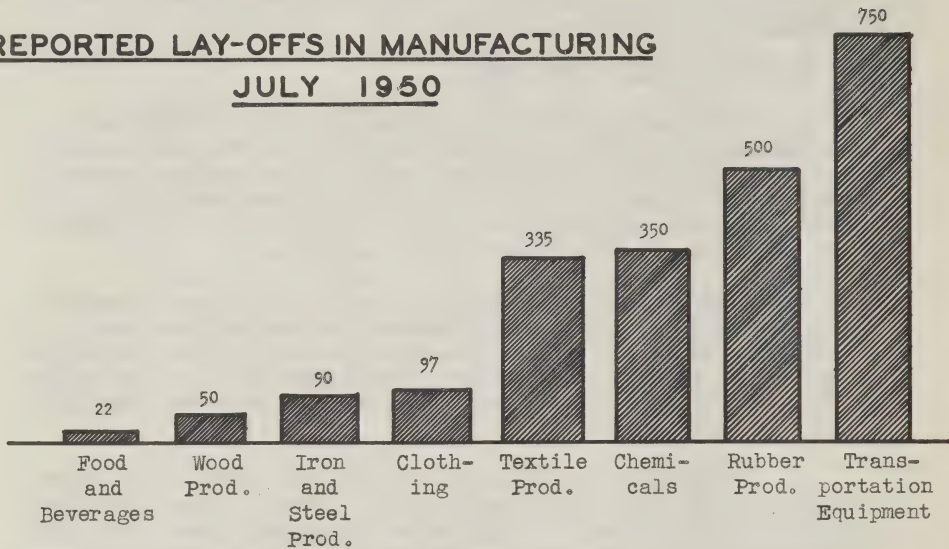
The largest non-seasonal lay-off during the month concerned the Canadair Ltd. plant near Montreal, Quebec. Some 750 men were released from this firm for a period of about eight weeks when tooling was completed, since parts production was ahead of schedule.

The Canadian Industries Ltd. plant at Windsor was closed down for the most of July because of a strike amongst office workers. About 360 production workers were idle as a result of the plant closure and although the strike has been settled it will be some time before the plant will return to normal production.

A lay-off of a more serious nature occurred at Toronto, Ontario, where the Gutta Percha Co. released 500 workers due to the termination of footwear production.

While non-seasonal lay-offs were light, heavy seasonal lay-offs took place from the agricultural implements industry. The Frost & Wood Co. plant at Smiths Falls, Ontario closed down completely for five weeks, with the men to return to work about the second week in September. The Massey-Harris Co. released about 600 men during June and July from their Toronto plant (these were being re-hired by the beginning of August), while at Brantford about 100 were laid off and 800 men were on short-time. The Cockshutt Plow Co. at Brantford was releasing men with a further lay-off of about 100 male workers scheduled for early in August.

REPORTED LAY-OFFS IN MANUFACTURING JULY 1950



Reported Non-seasonal Lay-offs in Manufacturing
by Industry (1)

Industry	Reported Lay-offs during July, 1950		Employment at May 1, 1950 (2)	
	Number of Plants	Number of Workers	Number	Percentage Change from Previous Year
Iron and steel products.....	3	90	152,900	- 5.7
Transportation equipment.....	1	750	124,900	- 6.5
Food and beverages.....	2	22	111,800	+ 2.8
Textile products.....	3	335	100,400	- 1.6
Wood products.....	2	50	79,700	+ 2.4
Clothing.....	2	97	68,700	+ 1.6
Chemicals.....	1	350	43,800	+ 1.7
Rubber products.....	1	500	21,200	+ 0.6
Other (3).....	-	-	343,400	-
Total.....	15	2,194	1,046,800	- 1.1

(1) As reported by National Employment Service offices.

(2) Source: Employment and Payrolls Branch, D.B.S.

(3) Employment in the eight industries in which no lay-offs took place in July, 1950.

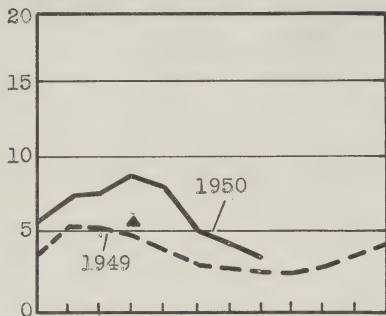
REGIONAL ANALYSIS.....

- ▲ REGIONAL
LABOUR MARKET
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS
OF INDUSTRIAL EXPANSION

PERCENTAGE OF LIVE JOB APPLICATIONS TO THE LABOUR FORCE

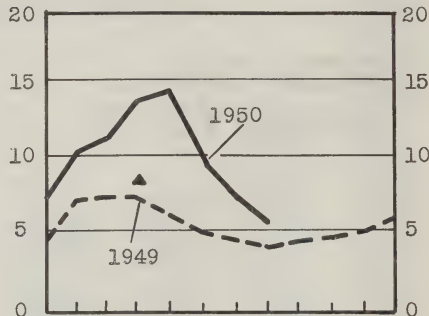
CANADA

Per Cent



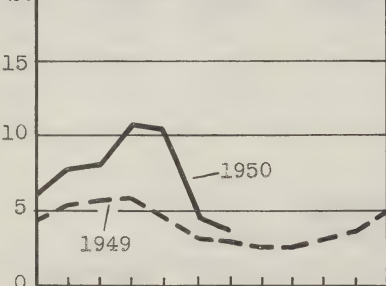
MARITIMES

Per Cent



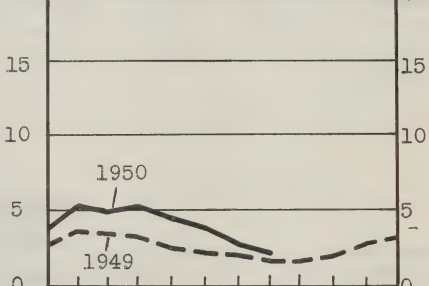
QUEBEC

Per Cent



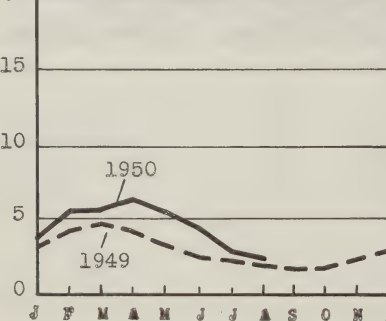
ONTARIO

Per Cent



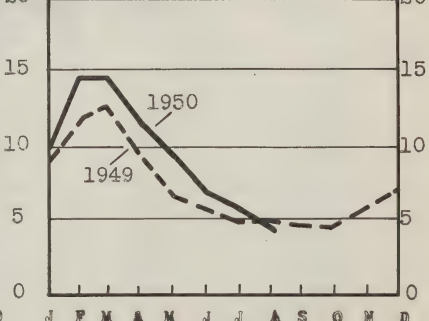
PRAIRIES

Per Cent



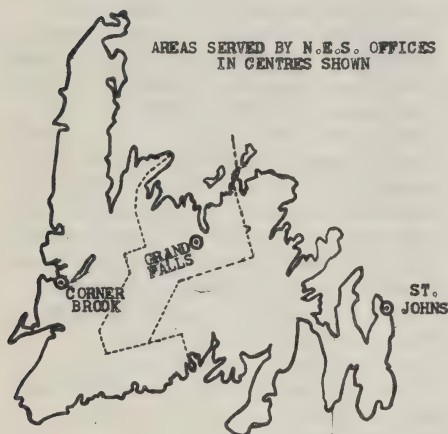
PACIFIC

Per Cent



▲Includes Newfoundland from April 1, 1949

REGIONAL LABOUR MARKET NEWFOUNDLAND



Seasonal improvement in employment conditions, which only began to gain momentum in mid-June, continued through July in Newfoundland. About the same number of fishermen as last year were active during the period, but on the whole the cod fishery was below average, both along the shore and on the banks. The continuing expansion of pulp cutting activity and employment, with the added appeal of unemployment insurance coverage since July 1, may well attract men away from fishing with its less certain rewards. Pulp and paper mills maintained capacity operations during the month to meet strong demand from Britain and United States, but other manufacturing remained quiet. Construction was fairly active, mining employment was stable, and wholesale

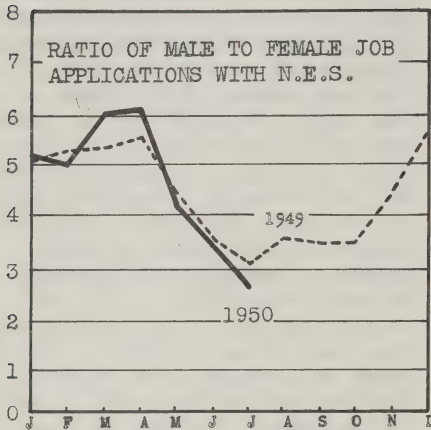
and retail activity on a relatively high level was maintained.

During the month, live job applications on file with the three Employment Service offices on the Island declined 6,260, or about 37 per cent, as the employment picture improved. This brings to 53 per cent the decline in registrations since the winter peak late in April, and there are indications that, with further expansion planned in both logging and construction, the number of live applications will continue to decline.

In the ST. JOHN'S area, experimental work basic to a sound program of agricultural development was proceeding in the Avalon Peninsula; several plans are under consideration for the establishment of fish processing plants, which would help stabilize fishing by providing local markets for fish catches. Employment at the Bell Island iron mines is now only about 80 below last year's total at this time of year, although the anticipated United Kingdom iron ore contract has not yet been confirmed. Railway maintenance work absorbed 300 men during the month.

Near CORNER BROOK, a quarry is to be operated to supply materials for a cement manufacturing plant that will be built shortly, and fertilizer is to be produced in the same vicinity. The construction to be undertaken in connection with these projects will employ several hundred men, and may begin this fall.

MARITIMES



registrations since the all-Canada peak at April 6 to 66 per cent.

In the Maritimes, as in the rest of Canada, employment conditions and employment prospects for men appear to be much more favourable than for women. In those three provinces, the number of live job applications from female workers declined 35 per cent during the last four months, as against a 71 per cent decline in male applications; there remained 25 per cent more female applications on file at the end of July than there were a year earlier, while the 12-month increase in male applications was only five per cent.

Although total registrations this year are 9 per cent above the comparable 1949 level for the region, there were, at the end of July, several local areas in which the employment situation, as indicated by the number of live applications on file, was better than a year ago. In Prince Edward Island, for instance, both CHARLOTTETOWN and SUMMERSIDE had fewer registrations on hand than at the end of July, 1949, with agricultural, construction and canning activity absorbing almost all local workers and many farm labourers from other parts of the Maritimes. Very strong demand for pulp and lumber cutters, high-level activity in construction, woodworking and fish processing, and the referral of workers to farm jobs both locally and in Ontario, resulted in a similar situation in MONCTON, EDMUNDSTON and ST. STEPHEN.

In HALIFAX and SAINT JOHN, there were continuing employment increases in seasonal manufacturing, especially fish processing, and in

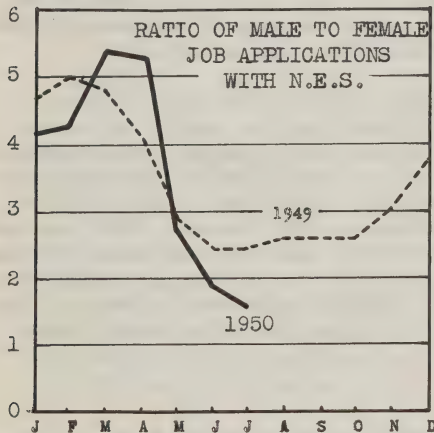
Continued expansion of activity in agriculture, fishing, forestry, construction, trade and services industries and some branches of manufacturing (especially wood products and fish and fruit processing) brought further increases in employment in the Maritimes during July. All large coal mines continued to operate at capacity, but lack of orders kept smaller mines on short time. At the end of the period there were 5,000 fewer live job applications in National Employment Service files throughout those provinces than at June 29, a decline of 21 per cent over the month. This brought the decline in Maritimes

construction. Building permits issued in Halifax proper during the first half of 1950 exceeded by 26 per cent the previous record-breaking 12-month total for 1949. In St. John, unless the demand for sardines increases, fishermen are faced with considerable loss on the large catches already landed but still awaiting processing.

Steel manufacturing in SYDNEY showed little change during the period, although further increases in employment are foreseen once contract negotiations are completed; continuing slackness in the same industry is primarily responsible for the 75 per cent more job applications on file in NEW GLASGOW that at this time last year.

On the New Brunswick North Shore, salmon fishing was good during the month, but cod landings were relatively poor and processing activity slack. However, pulp cutting employment throughout northern New Brunswick in July was over three times as high as a year ago, which accounts mainly for the 40 per cent drop in total live job applications in BATHURST, CAMPBELLTON and NEWCASTLE. Most of the decline took place in the Bathurst area.

QUEBEC



The month of July brought further increases in employment in the Quebec region, with the primary industries and construction absorbing additional numbers despite relatively low wages in farming, unpleasant working conditions in the woods and growing shortages of cement and other building materials. The employment situation in manufacturing remained quiet and almost unchanged from that of June, with vacation shutdowns generally in effect or approaching. Pulp and paper and sawmills maintained capacity operations under the pressure of continuing strong domestic and U.S. demand, and most clothing establishments were busy with fall orders; but activity among silk and

rayon producers remained spotty, and woollen mills were generally slack. Many footwear manufacturers also continued on short time. On the other hand, slight re-hirings were noted among some of the heavy industries, and the electrical appliances industry continued to expand. The tourist trade was generally good, although not up to last year's volume in several centers.

Under the impetus of continued seasonal expansion, the number of live job applications on file with National Employment Service offices

in the region declined further during July, with proportionately more men than women being absorbed into employment. At the end of the month, total registrations were 51,300, down 11,200 or 18 per cent from the end of June, with males declining 23 per cent and females, 9 per cent. Further evidence of the relatively poorer employment situation for women, noted especially in Montreal during June, is provided by the following comparisons: a) male registrations at the end of July were 11 per cent higher than a year ago, while female were up 71 per cent; b) since April 6, the all-Canada winter peak, male registrations declined 76 per cent, females only 18 per cent.

MONTREAL, which accounted for 45 per cent of all live job applications in the region at the end of July, as against only 30 per cent a year earlier, continued to experience a strong demand for farm labour, pulp cutters, construction skills and workers for the electrical appliances industry. In addition, primary textiles were steadily active while secondary textiles, leather footwear and shipbuilding showed slight increases in hirings. A slight improvement in the textiles industry in SHERBROOKE toward the end of the month may eliminate the necessity for lay-offs following the early-August vacation period, but hosiery establishments in the Eastern Townships remained slack. At several Employment Service offices in the district, demand for pulp cutters for employment in Maine and Vermont, U.S.A., together with independent movements to those areas, aggravated the shortage of cutters for local employment.

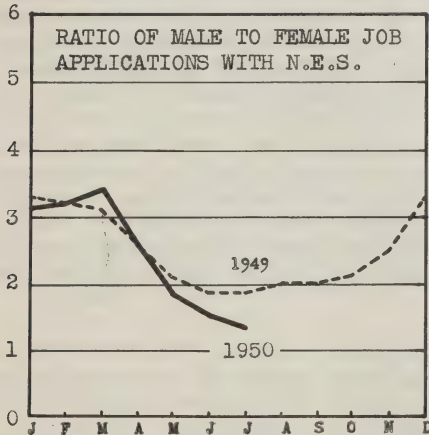
Woods workers and construction skills were also scarce in QUEBEC CITY, where the situation in footwear remains spotty and short-time work continues in the textile industry. In RIMOUSKI, with sawmills and planing mills operating at capacity, and construction particularly active, including work on the principal mill destroyed by fire earlier this year, a strong demand for pulp cutters cannot be met. This was also true of the Gaspé district during July, where CHANDLER fishermen obtained very good cod catches; but storms early in the month totally destroyed a large proportion of all lobster traps, causing considerable loss to fishermen and bringing about the closing of lobster canneries some 3 weeks before the end of the lobster season.

ONTARIO A decline of 9,500, or 20 per cent, in the number of live job applications registered with Employment Service offices in the Ontario region during July brought total registrations in the region down to 38,700, only 7 per cent above the comparable 1949 total. An increase of 35 per cent in live applications on behalf of female workers over the year has been responsible for the entire increase in the total figure, for male registrations at the end of July were 7 per cent lower than a year ago.

As in Quebec, vacation shutdowns, either in effect or pending, kept the employment situation in Ontario manufacturing generally quiet

during July. However, there were indications of a decreasing volume of short-time work in several industries, particularly among those just re-summing work after vacations. These included manufacturers of rubber, iron and steel and chemical products. The automobile and auto parts industries continued to expand production and employment during the month, but the picture in the textiles industry remained confused and spotty, and leather producers were still slack. Shortages of manpower increasingly beset agriculture (despite the employment of some 1,500 farm workers brought in from other regions), forestry and construction, but the mining industry continued to expand without exhausting available labour supplies. The approach of the active season in canning and preserving brought an improved outlook for job opportunities for women, and establishments catering to the tourist trade were short of experienced help, although that trade was generally 25 per cent below last year, because of unfavourable weather and the disturbed international situation.

ONTARIO

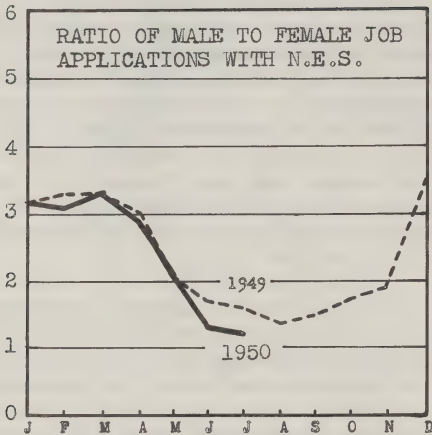


plus of female job applicants, especially in the clerical and service categories, which accounts for the 20 per cent higher level of total live applications in comparison with last year.

A late season has so far restricted demand for tobacco workers in the BRANTFORD area, where agricultural workers are nevertheless scarce. In this area, activity in textiles production was further curtailed during July and the outlook for the industry is uncertain; but in CORNWALL the major textile firms were back to normal operations. Tanneries in KITCHENER-WATERLOO continued on short time and laid off some workers. Producers of iron and steel, and particularly auto parts, continued to expand production and employment in ST. CATHARINES and WELLAND and, with high-level construction activity, contributed considerably to the improved employment situation in those areas.

In TORONTO, an early quickening of seasonal activity among the larger packinghouses, the re-hiring of several hundred agricultural implements workers just laid off and, on the other hand, continued short-time work in primary and secondary textiles, were noted in a generally quiet manufacturing picture. Construction skills became increasingly scarce, and shortages of building materials were felt. The construction manpower situation was similar in OTTAWA, where the tight farm labour situation was eased by the arrival of displaced persons, eastern and western harvesters and Newfoundland farm workers. Here, however, there is a substantial sur-

PRAIRIES



In the Prairie region, registrations on hand with the National Employment Service continued to decline during July, though at a decreasing rate. At the end of the month they totalled 22,700, a decline of 20 per cent during the month, compared to a 28 per cent fall during June. This figure is still 4,000 greater than at the end of July, 1949. Though the increase in live job applications over the year is to a high degree concentrated in the larger centres, this concentration is not so marked as in other regions; and in contrast to other regions, few areas in the Prairies show a decrease in applications over the year.

As is generally the case throughout Canada, the Prairie data indicate a greater improvement in the employment situation for male workers than for female workers. During July, male registrations decreased by 3,886 (24 per cent), while female applications dropped only 1,700 (13 per cent). In comparison with the same date last year, male applications showed an increase of only 700, or 6 per cent, while female applications are greater by 3,300, or 47 per cent.

Increased demand for wood products, good to excellent crop prospects, increasing oil production and a large volume of construction have given buoyancy to the Prairie economy. These factors have caused an unusually strong seasonal demand for workers in construction and primary industries, but they have not as yet had any marked effect on trade, with the exception of some farm implement dealers. The cool summer has had the double effect of retarding crops and slowing down the tourist trade, thus diminishing the seasonal demand for workers in the services and some processing plants.

During the month there was a shortage of farm workers, particularly power-machine operators. Heavy rainfall over most of the region caused extra summerfallow work; continuous spraying to control grasshoppers has been necessary; irrigation farming in Southern Alberta absorbed some extra labor. With good crops in prospect, farmers have been asking for experienced farm workers who would remain for the rest of the season, and the Employment Service is seeking 100 farm labourers in the Quebec region to satisfy this demand. Seasonal slackness in coal mining

continues, accentuated by a shortage of coal cars. In the far west, the production of coal continues to decline in the face of competition from petroleum. Despite the high prices and scarcity of building materials, construction has absorbed all suitable skilled workers in all areas.

The unprecedented demand for wood products, together with last season's reduction in inventories, has greatly improved the labour situation in the LAKEHEAD district. Almost 1,200 more men are working in the woods than at the same time last year. The larger companies have been unable to get enough men to complete their summer program and contemplate heavier cuts this winter. Some expect to be forced to recruit labour from as far away as Newfoundland. This is one of the few Prairie region areas that shows fewer applications for jobs than at the same period last year.

In WINNIPEG, there were 100 fewer male registrations than a year ago, while female applications show an increase of 1,800 over the same period. Registrations of secondary textile workers show the largest increase over the year, reflecting the general uncertainty and seasonal slackness existing in this industry. Increases in other occupational categories may be accounted for in part by late crops, which delayed many food processing and packing jobs, and in part by a sub-normal tourist season.

EDMONTON continued to experience an influx of workers, so that although employment there is at a high level, unemployment is also relatively high. Despite a transfer of 218 to the Ontario harvest and over 200 loggers to the Pacific region, there were 900 more applications for employment this year than last.

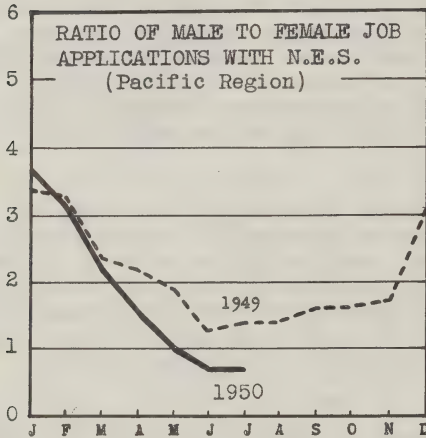
PACIFIC

During July, forest industries were operating at full capacity in the Pacific region, construction was extremely active and many dormant mines were re-opened. With intense fishing and agricultural activity, these factors created a strong demand for labour, particularly logging and sawmill workers. This is the only region in which, at the end of July, total live job applications were lower than they were a year ago. Registrations there have fallen to less than 5 per cent of the regional labour force.

During the month, female registrations with the National Employment Service in the region declined from 9,200 to 8,000 (13 per cent), to some extent due to the re-opening of canneries. However, although total registrations were 6 per cent lower than at the end of July, 1949, live job applications on behalf of female workers were up 19 per cent over the year. Many employers are not disposed to hire married women, and there now appears to be a greater number in the labour market.

On VANCOUVER ISLAND, fire hazards caused some interruptions in logging, but over the region, production in both logging and sawmills

has been limited only by a shortage of key skills. Employers in this industry have met increasing difficulty in getting workers necessary to start new shifts. The slackening in coal mining employment was accentuated during the month by the closing of one of the last two mines in the Nanaimo area. Less than 10 per cent of the number once engaged in coal mining in that area is now employed by the industry.



In PRINCE RUPERT, the halibut season was the best in recent years, and the tuna catch to date has been heavy. Salmon fishing in northern waters was rather light at the start of the season, but catches have since increased to record proportions. The total catch of all species of fish indicates that 1950 will be a year of exceptional activity, and employment in canneries is expected to exceed that of the past two years.

Though building construction in some parts of the interior was less active than had been expected, railway construction absorbed a number of workers in the PRINCE GEORGE area, where the quantity of logs cut during the month established an all-time record. In that district land-clearing activity preliminary to extensive agricultural development was extremely active. In the lower FRASER VALLEY, teen-agers were called upon to help harvest the berry crop; it is generally predicted that fruit packing will employ about the same number of workers this year, although for a shorter period due to crop losses through frost damage.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I---Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II---Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III---Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV---Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

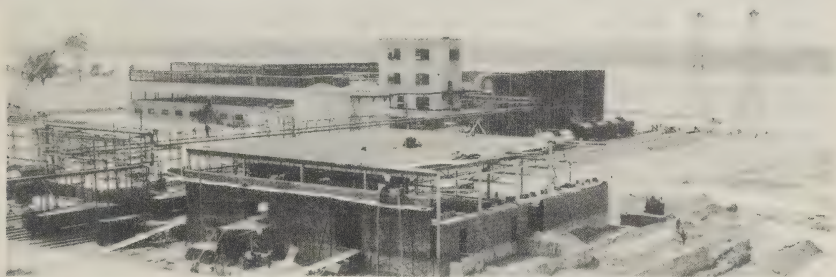
It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for July and August of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio Aug. 1, 1950	Group Rating		
		Aug. 1, 1950	July 1, 1950	Aug. 1, 1949
<u>Population of 100,000 and over</u>				
Quebec	7	III	III	III
Vancouver	6	III	III	III
Winnipeg	5	III	III	IV
Windsor	4	IV	III	III
Hamilton	4	IV	III	IV
Montreal	4	IV	III	IV
Calgary	4	IV	III	IV
Victoria	4	IV	III	IV
Ottawa	4	IV	IV	IV
Edmonton	3	IV	IV	IV
Toronto	2	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney	12	III	III	III
Saint John	9	III	III	III
Halifax	8	III	III	III
Fort William and Port Arthur	6	III	III	III
Regina	2	IV	IV	IV
London	2	IV	IV	IV
Kitchener	1	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi	18	II	II	III
Hull	9	III	III	III
Shawinigan Falls	9	III	III	III
Sherbrooke	8	III	III	III
Three Rivers	5	III	III	III
Brantford	5	III	III	III
Kingston	5	III	III	IV
Oshawa	5	III	III	III
St. Catharines	3	IV	IV	IV
Peterborough	3	IV	IV	IV
Sault Ste. Marie	2	IV	IV	IV
Saskatoon	2	IV	IV	IV
Sudbury	2	IV	IV	IV
<u>Population of under 25,000</u>				
Pictou - New Glasgow	19	II	II	III
Valleyfield	11	III	III	III
Amherst	7	III	III	III
Welland	7	III	III	III
Sorel	6	III	III	II
Niagara Falls	3	IV	IV	IV
Trail	2	IV	IV	IV

EMPLOYMENT EFFECTS OF INDUSTRIAL EXPANSION



On the basis of reports received by the Department of Labour, industrial expansion in Canadian manufacturing industry during the third quarter of 1950 has so far resulted in more than 1,500 new job openings. In 1950 to date, 5,800 new jobs have been created for Canadian workers, while more than 1,600 new jobs are anticipated for the fourth quarter of this year. With more than four months remaining in 1950, already the total of new job openings because of industrial expansion has almost equaled the figure for the whole of 1949.

Two months ago it was intimated in this section that Kaiser-Frazer cars might be produced in Canada. Since then it has been confirmed that the Reo Motor Company of Canada Ltd. at Toronto, will produce Kaiser-Frazer cars in the near future, and will hire an additional 125 men. Nash motor cars are now coming off the assembly line at Toronto, Ontario. This means two new automotive firms in the Toronto area.

Automobile supply firms have shared in this growth in the industry. Collins and Aikman of Canada Ltd. at Farnham, Quebec expanded their plant to employ 100 additional workers for the production of automotive upholstery material. Ontario Steel Products Co. Ltd. has built an extension to their Chatham, Ontario plant to use as a plating mill for the production of automotive equipment. The expected staff increase is in the neighbourhood of 50 workers.

At St. Malo, Quebec, Pik Mills Ltd. a new Canadian subsidiary of David Pik & Co. of Yorkshire, England, expects to commence production of worsted and gabardine clothes in August or September and estimates that approximately 100 new workers will be required.

The beverage industry continues to expand its labour force. Canadian Breweries Ltd. at Toronto have increased brewing and bottling capacity in the past two years, and will soon complete a new bottling plant at Dundas and Simcoe Sts. which will employ about 60 additional workers. Preliminary plans have been drawn up for additional fermentation and storage capacities at this site.

ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION(1)

- Third Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Quebec</u>			
Farnham	Collins & Aikman of Canada Ltd.	Textile Products	100
Granby	The Electronic Precision Components Ltd.	Electrical Apparatus	30
Hull	Mica Co. of Canada Ltd.	Non-metallic Minerals	15
Price	Price Brothers & Co. Ltd.	Wood Products	25-30
Quebec	Pik Mills Ltd.	Textile Products	100
<u>Ontario</u>			
Brampton	Canadian Metal Hose Ltd.	Iron & Steel Products	15-20
Chatham	Ontario Steel Products Co. Ltd.	Transportation Equipment	50
Kitchener	Keith-Day Ltd.	Textile Products	28-38
Leaside	Minneapolis-Honeywell Regulator Co. Ltd.	Electrical Apparatus	75-100
New Toronto	Campbell Soup Co. Ltd.	Food & Beverages (seasonal)	10
Toronto	Canadian Breweries Ltd.	Food & Beverages	60
Toronto	Kaiser-Frazer of Canada Ltd. (2)	Transportation Equipment	125
Welland	Atlas Steels Ltd.	Iron & Steel Products	20
<u>Prairies</u>			
Altona, Man.	Co-op. Vegetable Oils Ltd.	Food & Beverages	25-30

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

(2) Production of Kaiser-Frazer of Canada Ltd. cars in Canada will be carried out by the Reo Motor Company of Canada, Ltd. at Toronto, Ontario.

C A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR
ECONOMICS AND RESEARCH BRANCH

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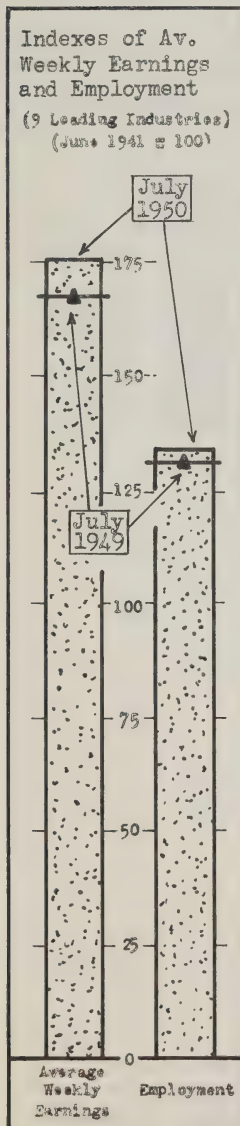
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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Milton F. Gregg, V.C., Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

THE CURRENT LABOUR MARKET



August and September were months of strong labour demand in the primary industries such as agriculture and logging; of temporary disruptions in manufacturing and mining as a result of the week-long rail strike; but, on the whole, a time of prosperity, of high employment and of relatively low unemployment. Primary iron and steel, non-ferrous metals, electrical apparatus and pulp and paper were among the manufacturing industries responding to the stimulus of increased demand for their products in both Canada and the United States. For the balance of this year, employment in manufacturing is expected to be above the high level reached in 1949. Construction is now close to its seasonal peak and a shortage of skilled workers continues.

Once more, the supply of agricultural labour in Canada was barely adequate, even with the transfer of workers from one region to another as the various crops matured. The heavy demand for loggers in the Eastern provinces, which coincided with the Western harvest, contributed somewhat to the tight farm labour situation since many workers now employed in the woods would have been available for agriculture. In these, as in other industries, the demand for male workers has been greater than last year.

The employment situation for women has continued to be much less favourable. At September 14, there were 53,400 registrations for women on hand at National Employment Service offices, 13,600 more than at this time last year. Industries employing large numbers of women, such as textiles and services, have not shared in the recent expansion of business activity. Reports from employment offices indicate that married women are seeking jobs in much greater numbers than last year and many pose a placement problem.

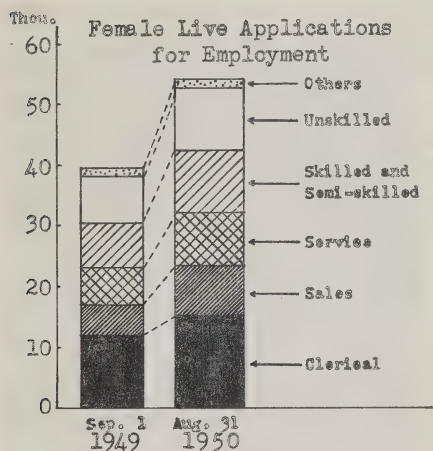
By July 1, average weekly salaries and wages in Canadian industry had risen to \$45.06, the highest on record. The cost-of-living index was continuing its upward climb, however, from 167.5 at July 1 to 168.4 at August 1. As a result, many companies were now granting pay increases to workers in the form of cost-of-living bonuses.

CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.	Aug. 31	151,603	- 3.6	-	-
Per cent of labour force	June 3	2.9	3.0*	2.7*	-
Per cent of paid workers	June 3	4.2	4.4*	3.9*	-
Ordinary live claimants	Sept. 1	98,930	+ 6.9	+ 22.4	+ 43.1
Per cent of insured population ...	Sept. 1	3.6	3.4*	3.2*	-
Per cent of live applications for employment	Aug. 31	65.3	58.8*	58.8*	-
Amount of benefit payments	August	\$4,412,992	- 6.6	+ 18.7	+ 56.5
Index of employment (June 1, 1941 = 100)	July 1	132.2	+ 2.8	+ 1.2	- 0.3
(Eight leading industries)					
Immigration	June	6,939	-17.0	-42.0	-30.3
<u>Earnings and Income</u>					
Total labour income	June	\$683,000,000	+ 3.6	+ 5.9	+ 4.5
Average weekly salaries & wages (Eight leading industries)	July 1	\$45.16	+ 1.3	+ 5.1	+ 3.9
Average hourly wages (mfg.)	July 1	\$1.039	+ 0.4	+ 4.8	+ 4.1
Average hrs. worked per week (mfg.) ..	July 1	42.6	+ 1.4	+ 1.9	+ 0.3
Average weekly wages (mfg.)	July 1	\$44.26	+ 1.8	+ 6.9	+ 4.4
Cost-of-living index (Average 1935-39 = 100)	Aug. 1	168.5	+ 0.6	+ 3.5	+ 2.6
Real weekly wages (mfg. Average 1946 = 100)	July 1	108.1	+ 0.6	+ 3.3	+ 1.9
<u>Industrial Production</u>					
Total (Average 1935-39 = 100)	July	203.3	- 1.0	+ 13.8	+ 5.7
Manufacturing	July	213.5	- 0.8	+ 14.7	+ 4.8
Non-durables	July	189.7	- 1.9	+ 8.1	+ 3.4
Durables	July	253.9	+ 0.5	+ 24.2	+ 6.9
<u>Industrial Relations</u>					
Strikes and lockouts-days lost	August	1,053,000	-	-	+ 64.9

* These figures are the respective percentages for the previous month and for the same month last year.

EMPLOYMENT SERVICE ACTIVITIES



year's graduates from universities and high schools, had found employment in the past four months.

The National Employment Service played an important part in finding jobs for these workers. From May to July, placements exceeded the record of the past four years for this period for Canada as a whole and in most regions. Primarily, this improvement was the result of the buoyant state of the Canadian economy, but it was significant that the expansion in job opportunities was of a type suitable for absorbing the available help. Vacancies reported to employment offices during this period, while higher than in 1949, fell short of the 1947 and 1948 levels. The jobs reported this year, however, were diversified occupationally, for both unskilled and skilled, and were in areas where workers were available, such as Quebec and New Brunswick.

By August 25, applications from male workers totalling 90,600 were 7,000 less than one year ago. All regions except the Prairies showed a decline in applicants over the year, while the rise in the Prairies was largely the result of an increased transient labour force, attracted particularly to Alberta by the high degree of prosperity in that region.

The situation was not favourable for women applicants and their absorption into employment lagged throughout the summer months. By August 25, 55,300 applications were on hand from women, almost 15,000 more

Only with considerable difficulty were sufficient workers being found to harvest the Prairie wheat crop, despite the recent reduction in yield from the earlier anticipated near record levels. This was evidence of the favourable employment conditions which existed in Canada during August and early September and reflected the steady absorption of workers which has taken place since the spring upswing in activity. The number of live applications at employment offices had fallen to 145,900 at August 25, the date before applications increased because of the railway strike. This figure compares with 435,000 early in April, showing that nearly 300,000 workers, as well as this

than at the same date last year. About 4,600 of these additional applications were reported in Montreal while the others were scattered throughout the country; each region showed higher registrations than the year before. The new applicants were in all occupations although workers in the textile and leather industries showed the largest proportionate rise. The changes in the number of applicants over the year are shown on the chart at the beginning of this section.

The divergence between men and women workers can best be explained by examining the basic trends influencing the upswing in employment. The seasonal expansion in employment affects mostly the primary industries which employ men almost entirely. The food processing industries and tourist trade are exceptions but frost damage in British Columbia and a late season in Ontario had reduced job opportunities in food plants, while employment in the tourist trade had remained at approximately last year's level. The renewed strength of the manufacturing industry was an important factor in the current prosperity, but expansion was mainly in the durable goods industries - iron and steel, automobile manufacturing and machinery building - which again largely employ male workers. Lighter manufacturing industries, such as textiles and leather, which mostly employ women workers, have not shown any significant expansion.

Moreover, the supply of women applicants appears to have changed from predominantly single women to married women, and employers are reluctant to hire them if single girls are available. This has resulted in a core of applications from married women remaining on file at employment offices. Some 45 per cent of the women claiming unemployment insurance at the end of August had been on the live employment register for more than two months, 34 per cent had been registered for more than three months. About two-thirds of the women seeking employment are claiming unemployment insurance.

Barring the disruptions caused by the railway strike, demand for labour, particularly for unskilled workers, was strong. The supply of unskilled workers who were not attached to any particular industry group was 6,500 below the level of 1949 at the end of August and demand was heavier in almost all industrial groups. Farm labour needs were at their peak at this time. Logging was competing with agriculture for workers, while construction and manufacturing maintained an active demand. Too, the labour force had been depleted by workers enlisting in the special Korean service force.

The railway strike was reflected in an increase of 5,700 in the number of applications for work at employment offices during the week August 25 to August 31, but applications continued their downtrend in the following week although at September 6, they were still slightly higher than before the strike.

INDUSTRIAL LABOUR MARKET

AGRICULTURE



The seasonal peak in farm labour requirements was reached during August, with the heaviest demand centred in the western provinces. In the Prairies, the harvest was delayed in some areas by cool and rainy weather and was just getting under way at the end of August. In British Columbia, seasonal crops were being harvested and sufficient labour was reported available in most areas.

Most Eastern farmers were able to obtain sufficient labour to harvest their crops, although a few areas in Ontario reported shortages of farm help. About 1,200 harvesters were brought in from the Maritimes and the Prairies to work until the end of August. During the month, the National Employment Service was recruiting men in the East for the annual harvest excursion to the West, about 350 were sent before the rail strike began. During the strike,

a substantial number of workers went out by car on their own but a number of loggers laid off from bush work in Northern Ontario and Quebec, who ordinarily would have been available for the harvest, found other jobs. Another large movement of workers during the month was that of skilled tobacco men from the southern United States into Ontario tobacco growing areas, in which an estimated 2,500 took part.

Although the demand for labour had not reached its peak in the Prairies during August, shortages of labour were already developing in that area. Local labour in Saskatchewan was reportedly more scarce than last year, due in part to improved crops in some sections. The Manitoba and Saskatchewan harvests were expected to occur at about the same time this year, thus concentrating labour demand into a shorter period. Wages offered harvest help during August in the West were generally from \$6.00 to \$8.00 per day for stokers and \$9.00 to \$12.00 per day for threshers.

LOGGING

In the Eastern Canada logging industry, the demand for workers was strong in all areas during August as logging companies were finishing off a heavy summer. Shortages of loggers were general during the month, particularly since construction and farming were making heavy demands on the same labour pool. The end of the pulp peeling season in August did not bring a sufficient reduction in demand to offset this general condition of shortage. During the month, Northern Ontario and Anticosti operators were recruiting cutters in the South Shore counties of Quebec and some 3,300 Canadian loggers were working in Maine.

A new labour agreement, affecting the larger pulpwood producers in Northwestern Ontario was reported, which would provide an increase of fifty cents a day for day labour as well as increases in piece rates. An increase of ten cents a day in the rate of board was also provided for.

The British Columbia logging industry continued to operate at capacity during August, although limited by lack of skilled labour. Ideal weather conditions prevailed in all but a few areas where hot weather and forest fires forced short closures. The largest United Kingdom order in several years was recently placed, for 260,000,000 board feet at approximately \$20,000,000, and will be an important factor in maintaining the present high level of employment.

MINING



DIAMOND DRILLERS AT WORK IN NORANDA MINES

Base metal mining in both Ontario and Quebec have been increasing their employment and production, in response to the heavy demand from the United States. Nickel, copper, cobalt, lead and zinc are all in heavy demand, and there have been price increases recently in all of these metals. Mine operators in most areas report a shortage of experienced workers, and in Quebec there has been considerable demand for immigrant workers to meet the need.

Gold production has also increased over that of last year, and labour demand is quite strong. The difficulties of the industry in finding the required number of workers have been increased by the exodus of single workers from the mining areas to the industrial sections of the country. Shortages of experienced miners in gold mining camps is becoming acute.

In the Quebec-Labrador area, continuous field work is revealing more iron ore deposits. In Newfoundland, a contract for 200,000 tons of iron ore received from the United Kingdom, has meant increased demand for workers in that area.

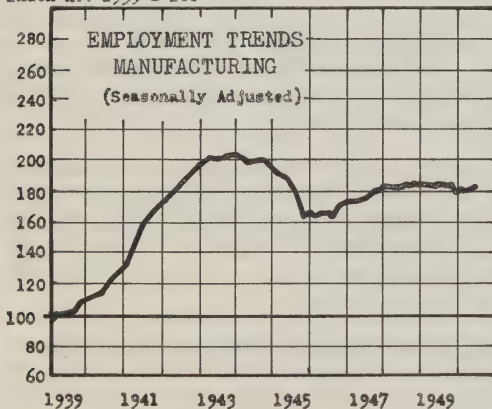
The shortages of coal cars during the railway strike forced the lay-off of about 8,000 miners in Nova Scotia and Alberta. Since nickel mines in Sudbury are dependent on the National Railway for delivery of ore, about 3,700 men were laid off in the nickel mines in this area during the strike.

Quarrying of cement rock, limestone and the digging of sand and gravel are giving employment to larger numbers of men than in previous years. This section of the mining industry has expanded in response to the heavy program of construction now reaching its seasonal peak.

MANUFACTURING By the beginning of August, the employment situation in manufacturing contrasted sharply with that of a few months before. Employment in manufacturing was above that of the corresponding period in 1949, for the first time this year, and there was a pronounced increase in labour demand, which had been at a low point in the first quarter of 1950.

Industries where labour demand is strongest are those which have been most directly affected by the defense preparation, and by the boom in the United States economy. By the beginning of July, the strong demand for many Canadian products in the United States had led to expansion in employment in sawmills, newsprint plants, and smelters refining nickel and base metals. In addition, increases in sales of consumer durables had resulted in a higher level of employment in the electrical apparatus and automobile industries. During August, the heaviest demand for workers came from the iron and steel group, particularly those firms producing primary iron and steel and fabricated steel parts.

Index Av. 1939 = 100



Skilled moulders and machinists, as well as workers experienced on aircraft production were much in demand and, in some cases, there were shortages of suitable applicants.

The new stimulus to increased production and employment has not yet spread to all sections of manufacturing industries. Although leather footwear and some sections of the textile industry are increasing their employment seasonally, some branches of the textiles are still operating below last year's level, and short time work persists in a few areas. This has tended to reduce the job openings for women, since these industries employ a large proportion of female workers.

The railway dispute at the end of August meant that many employers had to postpone temporarily plans for adding to their staffs, while a considerable number laid off workers for a short time. With the railways once more in operation, employment in many important branches of manufacturing will probably continue to expand, and the general level is expected to be above that in 1949 for the remainder of the year.

CONSTRUCTION With an unprecedented volume of work on hand, the construction industry was at its peak of seasonal activity during August. A shortage of qualified workers in almost all of the many skills required by the industry became more of a limiting factor as the season progressed, although the labour force in the industry was the largest in its history. Unskilled labour, which constitutes an estimated 60 per cent of the working force in building construction was generally in satisfactory supply. Material shortages were also a limiting factor, with cement and bricks in particular in short supply in some areas.

Due to the heavy demands of the 1950 program, construction costs both of labour and materials, continued to rise during the summer. The average wage paid in building construction at July 1 was \$46.75, or about 8 per cent more than a year ago. The Dominion Bureau of Statistics price index of residential building materials in July was 245.2 (1935-39=100). The comparable July figure last year was 227.1

In spite of this increase in costs, new contracts awarded during August were the highest ever for that month, at \$144 millions. This brought the total value of contracts awarded in the first eight months of 1950 to \$882 millions, 20 per cent more than the eight month total in 1949. The distribution of this increase among the four main types of construction work is shown in the following table:

Construction Contracts Awarded First Eight Months 1949 and 1950
In Millions of Dollars
(Source: MacLean's Building Reporter)

	1949	1950	Per Cent <u>Increase</u>
Residential	309.0	358.1	16
Business	196.9	268.1	36
Industrial	75.9	91.5	20
Engineering	127.0	163.9	29
Total	708.8	881.6	24

LAY-OFFS MOUNT DURING RAIL STRIKE WEEK

The Canadian railway strike began on August 22 and ended on August 30 without creating the major unemployment problem which was anticipated. Of the 70,000 workers other than the strikers themselves idle because of the strike, non-striking railway workers accounted for 47,000, non-railway workers for only 23,000. Most of these were off work for a week or less.

The relatively early termination of the strike undoubtedly prevented unemployment from reaching the anticipated critical level. The Maintenance of Railway Operations Act, which the federal government adopted on August 30 ordered the strikers and the companies to resume railway operations at once and all strikers were back on the job well within the 48 hours stipulated. During the strike, greatly accelerated trucking operations eased its effects and helped reduce the consequent unemployment. The fact that thousands of Canadian workers were on vacation at this time also offset the unemployment effects of the railway tie-up.

Coal miners presented by far the largest single group of non-railway workers laid off by the strike. Because of the shortage of railway cars, many mines shut down immediately. In the Atlantic region, 3,600 coal miners were idle during the strike period, compared to 4,700 in the Prairie region. At Sudbury, Ontario, the International Nickel Co. laid off 3,000 men.

About 10,000 manufacturing workers were idle because of the strike - a relatively small number in relation to employment in that industry. Of these, 4,000 were in the food products industry, where meat packing plants and flour mills were particularly hard hit. The Connors Bros. fish packing plant at St. Stephen, N.B. closed down, releasing 1,200 men. Canada Packers Ltd. laid off 100 men at Toronto, 140 at Winnipeg, and 139 at Edmonton. Burns and Co. Ltd. released 55 men at Winnipeg, 175 at Prince Albert, 90 at Calgary and 41 at Edmonton. Altogether, there were at least 800 men released from meat packing firms in the Prairie provinces.

The Prairie region flour milling industry was also hard hit by the strike. At least 500 workers were idle. Some of the largest lay-offs were by Purity Flour Mills Ltd. at Winnipeg - 150 workers, Ogilvie Flour Mills Co. Ltd. at Medicine Hat - 60 workers, and the Lake of the Woods Milling Co. at Medicine Hat - 60 workers. Flour mills in the Ontario region were also affected. The Lake of the Woods Milling Co. at Kenora released 300 workers, the Maple Leaf Milling Co. at Port Colborne - 200, while two cereal products plants - Quaker Oats of Canada Ltd. at Peterborough, and the Kellogg Co. of Canada Ltd. at London released 285 and 500 workers, respectively.

The second largest group of unemployed manufacturing workers was in the iron and steel industry, where there were 2,300 reported lay-offs, a relatively small number, however, when compared with employment in the industry. The two heaviest lay-offs were in Canada Iron Foundries Ltd. at Hamilton - 250 workers, and the Studebaker Corporation of Canada Ltd. - 750 workers.

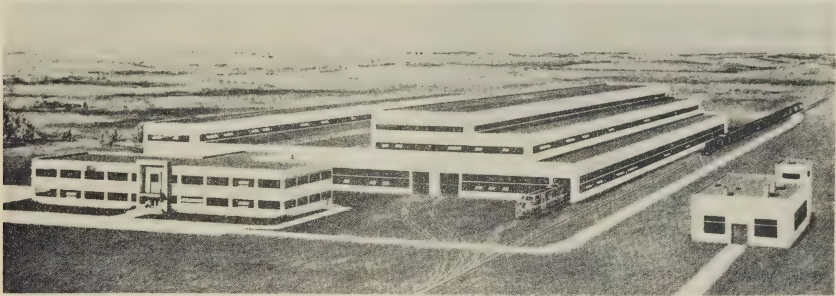
About 1,000 workers were idle in the chemical products industry, but these were not concentrated in any one place and no lay-offs involved more than 200 workers. Almost 1,000 lay-offs also took place in the non-metallic mineral products industry, mostly in firms producing building materials such as glass, gypsum, and roofing. Although the larger pulp and paper plants were not affected by the strike, about 600 were laid off in each of the woods products and paper products industries.

If the strike had continued, unemployment would rapidly have become more serious. Lay-offs involving about 40,000 workers were reported as pending for the week following the termination of the strike. Not only would the lay-offs have been much heavier, but even more industries would have been affected.

Lay-offs of Non-Railway Workers as a Result of Railway Strike

Industry	Canada	Atlantic	Quebec	Ontario	Prairies	Pacific
Logging	45	-	-	-	-	45
Coal Mining	8,355	3,615	-	-	4,150	590
Metal Mining	3,490	-	75	3,000	-	415
Manufacturing						
Food Products	4,080	1,260	-	1,420	1,360	40
Wood Products	580	-	400	-	-	180
Textiles	195	-	45	120	30	-
Paper Products	595	155	-	425	-	15
Iron & Steel	2,265	50	540	1,500	175	-
Chemicals	1,040	190	215	330	155	150
Petroleum Products	45	-	-	-	45	-
Non-metallic						
Minerals	1,350	325	625	325	40	35
Non-ferrous						
Metals	40	-	-	-	40	-
Electrical						
Apparatus	100	-	65	35	-	-
Construction &						
Maintenance	130	60	-	-	70	-
Transportation						
& Communications ..	950	-	120	90	360	380
Trade	130	-	-	-	130	-
Service	40	-	-	-	-	40
Total	23,430	5,655	2,085	7,245	6,555	1,890

NEW G.M. DIESEL PLANT OPENS

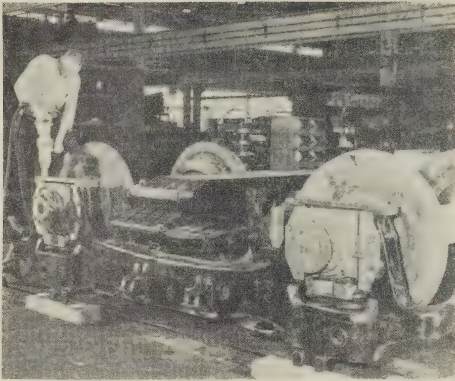


Canada is on the threshold of a new era in railway transportation. The traditional steam engine, closely associated with nearly a century of railroading in this country, is gradually giving way to the newer and more efficient diesel locomotive. This conversion has been most timely, as the demand for both foreign and domestic steam locomotives has dropped off, and firms manufacturing railway rolling stock have been forced to lay off large numbers of workers.

The official opening of the first Canadian plant designed solely for the production of diesel-electric locomotives - the General Motors Diesel Ltd. plant at London, Ont. - took place in August. At full capacity, the plant will employ 1,000 workers and will turn out one locomotive per day. Although situated near London, this new industry will benefit the whole area, since the workers have been recruited throughout Western Ontario.

In contrast with steam locomotives which are custom-built, this new plant is designed to take advantage of mass production techniques. The construction of diesel locomotives is primarily a fabrication and assembly job, while in the case of steam locomotives a larger part of the manufacturing process is carried on within a single plant. For the new G. M. Diesel plant, nearly all the main parts - diesel engines, electric generators, traction motors, and truck castings - are brought in as units with only a relatively small proportion of the actual manufacturing operations being carried on within the London plant.

Because it is principally a fabrication job, there are some major differences in labour requirements between the diesel and steam locomotive manufacture. First, since fewer man-hours are required



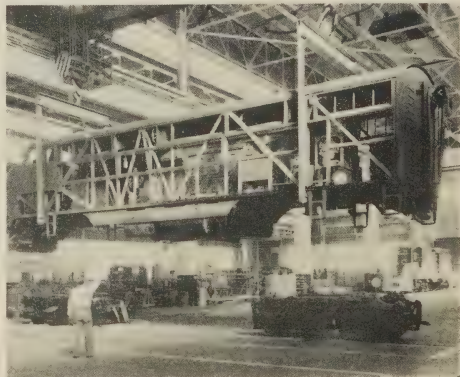
to produce the diesel, employment per unit of production is lower. Secondly, different occupational skills are required. Among the skilled production workers, such occupations as welders, fitters, electricians and other assembly-line workers are prominent. In the G.M. London plant, where the locomotives are designed, built and serviced in the one organization, highly qualified workers are required for the engineering, accounting, purchasing, parts and service departments. As well, the operation of this ultra-

modern plant, with all the latest conveniences for the workers, requires a large number of service workers, such as cafeteria, personnel and medical staffs.

In addition to the direct employment provided, the new G.M. plant provides considerable employment among firms supplying the component parts. Some 450 firms supply parts and services to the plant, thus stimulating employment in industry generally.

Thettwo other Canadian manufacturers of locomotives - the Montreal Locomotive Co. and the Canadian Locomotive Co. - are both turning out an increasing proportion of diesels. Early this year, the Canadian Locomotive Co. laid off 650 workers at Kingston, and the Montreal Locomotive Co. released about 850 in Montreal. Conversion to diesel-electric production will mean the recall of many of these workers.

The ultimate effect on employment in the railways themselves is expected to be a reduction in labour requirements. As the diesel gets more power out of a pound of fuel than any other prime mover, fewer trains will be needed to haul freight and this will mean fewer crews. This will not necessarily result in any lay-offs of running crews but as men reach retirement age it is expected that they will not all be replaced. As far as maintenance staffs are concerned, C.P.R. officials report that little change is anticipated.



REGIONAL LABOUR MARKET

NEWFOUNDLAND

Despite the influence of certain unfavourable factors, employment conditions in Newfoundland continued to improve during August. National Employment Service statistics of registered job-seekers reflect this improvement, the total for the provinces having declined from 9,600 at August 3 to 6,600 at August 31. Most of this decline was due to a steady drop in the St. John's total, which was 4,642 at August 31 as against 7,400 at August 3. The totals for Grand Falls and Corner Brook remained relatively unchanged, at about 900 and 1,200 respectively, throughout the month.

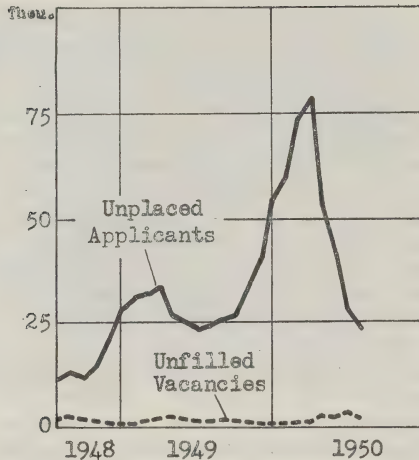
The major favourable factors in the August employment situation were the confirmation of a 200,000-ton iron ore contract between the Wabana Mines, on Bell Island, and the United Kingdom; and the steady, strong demand for woods workers, due to continually expanding U. S. and U. K. markets for pulp and pulpwood. These factors have resulted in an increase of about 300 in mine payrolls, raising total iron mining employment in Newfoundland to around 1,650; and in the employment in the woods of more than 5,000 workers by the two pulp and paper firms, as well as of a considerable number of jobbers to whom pulpwood contracts have been let. Further substantial increases in woods employment are anticipated during September.

Although not strong enough to impair the continuing rise in total employment, there were also certain unfavourable influences present in the August employment situation. Predominant among these were the somewhat unsatisfactory results of the major bank fisheries, although the shore and Labrador fisheries have been generally good. Most of the south shore banking fleet crewmen refused to put out to the banks again, because of the poor catches.

Federal Fisheries Prices Support Board purchase of fishermen's stocks of 1949 salt cod production, now estimated at a maximum of 15,000 quintals, began during August, with 20 licensed fish exporters acting as agents for the Board.

Agricultural activity on the Island was hindered by drought and pest infestation during the month and the threat of a nation-wide railway strike caused the lay-off of about 300 operating personnel and some 500 railway extra-gang workers at August 19, after less than one month of employment in most cases. The settlement of the strike was expected to bring even greater extra-gang employment during September, however.

MARITIMES



Throughout the Maritime provinces, high levels of employment were maintained or increased during August. The principal industries responsible for the favourable employment situation that exists in most areas were construction, forestry, agriculture and mining. Despite the adverse effects of the railway strike, active registrations at National Employment Service Offices in the three provinces declined slightly during the month, from 18,200 at August 3, to 16,800 at August 31. Lay-offs due to the rail strike were responsible for a slight rise in the total over the last week of the period, but nevertheless it had declined to less than the comparable 1949 figure.

While hirings for woods employment slackened somewhat with the end of the pulp peeling season, continuing strong demand for pulp and newsprint indicates that fall and winter cutting activity will be much higher than last year and some firms have placed standing orders for woods workers with local Employment Service offices. The present high level of lumber cutting employment is expected to continue, as demand for lumber shows little sign of slackening. Fall and winter employment conditions, especially in NORTHERN NEW BRUNSWICK, are thus likely to be much better than they were last year. The record volume of construction in the Maritimes is also likely to continue, at least until late in the season, and has occasioned a very tight labour situation in some areas, notably SUMMERSIDE, where there is also very strong demand for agricultural workers.

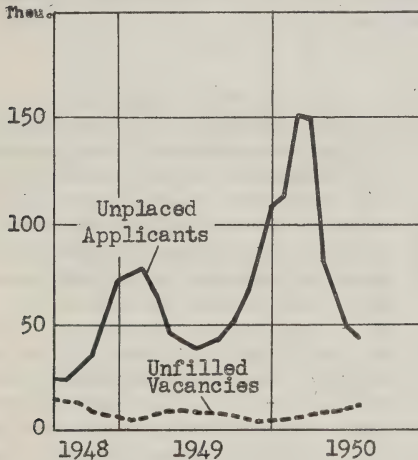
Lay-offs resulting from the rail strike, as reported through offices of the National Employment Service, affected between 5,500 and 6,000 workers in the Maritimes, with the bulk of these (3,600) being coal miners. Relatively few of these, however, registered with the Employment Service. Long unused coastal shipping routes were re-employed during the strike to effect deliveries to many points, especially in Nova Scotia, and some truckers emerged from the period with increased clientele and new, long-term contracts.

During the month, a number of fish processing plants in Nova Scotia lost working time due to light landings, which also will probably shorten the processing season on the New Brunswick north shore. Shortages of materials, due to causes other than the rail strike, occasioned a temporary lay-off of steel workers in the NEW GLASGOW area; but the same

industry in the SYDNEY area has now re-hired all workers laid off last winter. Payroll increases have taken place in shipbuilding in SAINT JOHN, and more hirings are anticipated shortly.

Some 800 potato pickers will be required this fall in the SUMMERSIDE area, and most of these will be recruited in Cape Breton and around New Glasgow. Too, about half of the 1,000 potato pickers required in the WOODSTOCK area will have to be brought in from other areas of New Brunswick; and an additional 700, according to early estimates, will be required from border areas for employment in Maine potato fields. Harvest labour requirements were unusually heavy this year.

QUEBEC



Total registrations on hand at National Employment Service offices in the Quebec region declined from 49,600 at August 3 to 45,800 at August 31, remaining about 4,500 above the comparable 1949 total only because of the relatively unfavourable employment situation for women. At August 31, there were 6,000 more live applications from female job seekers than at September 1, 1949.

Slightly more than 2,000 workers, all but a few in various branches of manufacturing, were reported to have been laid off as a result of the railway strike, although few registered with the Employment Service. Generally, how-

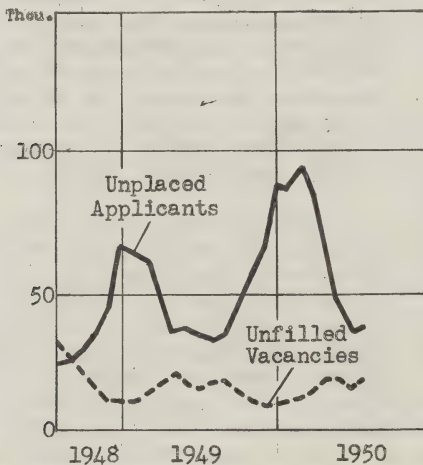
ever, manufacturing industries were overcoming the summer slackness, and short-time work became less prevalent during August. This is particularly true of secondary textiles, chemical products and footwear manufacturers. Increased aluminum smelting activity in SHAWINIGAN FALLS absorbed 175 employees and a MONTREAL aircraft firm began re-tooling for a \$100,000,000 government order for jet aircraft which will bring substantial increases in employment there. In addition, the usual exodus of students from summer employment left a number of job openings in various lines throughout the region.

Strong demand for pulpwood and lumber cutters, for various areas of the region, in Ontario and in the New England States, continued throughout August and generally exceeded the supply. Although the heavy hay and grain harvests in the region are now over, the supply of workers for woods employment is not likely to improve immediately, due to the continuing high level of construction activity, to the Prairie harvest

excursion, which may absorb several hundred, and to current recruiting in the RIVIERE DU LOUP area for the Maine potato harvest. The strong demand for woods workers, with some firms already advancing recruits the cost of transportation to the job, may create shortages of miners and mine workers in areas such as VAL d'OR.

In the EASTERN TOWNSHIPS, August brought offers of higher wages for farm help, and more workers became available to that industry as a result. Farm labour remained scarce, however, in the LA TUQUE and VALLEYFIELD areas, due to the strong attraction of woods and construction employment. During the month, the latter industry encountered a general shortage of skilled tradesmen, and some shortages of construction materials caused scattered temporary lay-offs.

ONTARIO



The already high level of employment activity in the Ontario region was augmented during August, as harvesting, both locally and in the Prairies, pulpwood and lumber cutting, construction and a variety of branches of manufacturing all absorbed additional number of workers. The number of active job applications registered with National Employment Service offices in the region, continued to decline until the last week of the period, when some workers laid off on account of the rail strike registered. Partially as a result of these registrations, the 39,800 live applications was some 1,300 higher at August 31 than at August 3, and 5,000 higher than at the same time

last year. Almost all the increase was due to the greater number of applications from female workers.

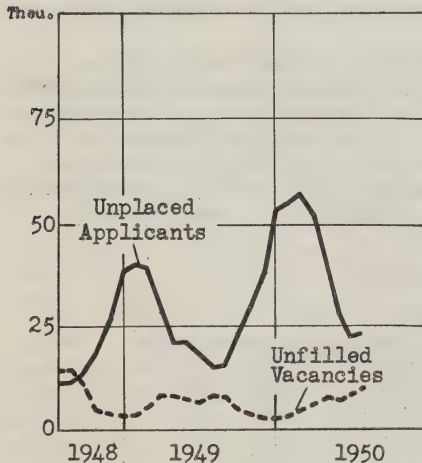
Of the 7,100 reported to have been laid off on account of the rail strike, 3,000 were base metal workers in the SUDBURY area. The remainder were employed in various branches of manufacturing throughout the region, with food products and transportation equipment workers predominating. While still relatively light, the registration of these workers with local Employment Service offices appears to have been more general than in the other eastern regions.

Despite vacation shut-downs and the rail strike, however, manufacturing establishments in the Ontario region generally maintained high level activity, with a considerable volume of hiring. Primary and

secondary textiles plants, in areas such as TORONTO, WELLAND, NIAGARA FALLS and TRENTON became more active during the month, but short-time work or reduced staff continued in effect in mills in CARLETON PLACE, COLLINGWOOD and WOODSTOCK. Some improvement took place in the manufacture of leather and rubber products in some areas, while in others, notably KITCHENER, the major tanneries continued to work short-time. Throughout the iron and steel, machinery, transportation equipment and non-ferrous metals products industries, and especially in such areas as WELLAND, BRANTFORD, SAULT STE. MARIE, KINGSTON, TORONTO and the auto manufacturing centres, steady hiring was general, and some substantial expansion took place. Food packing and processing establishments throughout Ontario, and particularly in TORONTO and NEW TORONTO, were hiring large numbers for seasonal work, while plants in other areas are preparing to process tomatoes and other vegetables.

Peak activity in the construction industry continued through the month, with shortages of skilled tradesmen becoming more general and materials difficult to obtain in some areas, a situation that was aggravated by the rail strike.

PRAIRIE



In the Prairie region, live registrations with the National Employment Service declined by a further 12 per cent during August to a total of 19,930. Except for Quebec, this region shows the greatest increase in registrations over the same period last year, and is the only one in which male registrations are greater than a year ago. The increase may be accounted for partly by the unusually late harvest and partly by lay-offs resulting from the railway strike. As well, the reluctance of employers in the area to hire additional men during the strike would be reflected in registration figures.

Cold weather during the month has reduced the near-record grain crop. On August 14, snow fell in the PEACE RIVER district, and during the last week of the month there were several degrees of frost over the most of the region, the heaviest damage occurring in Saskatchewan. The full extent of the damage cannot be determined until the harvest is completed, but it is known to be considerable, with both yield and quality adversely affected. Nevertheless, the demand for harvesters from the East has not been appreciably diminished, for crops are being

harvested in all but a few places. As well, the harvests in Manitoba and Saskatchewan are coinciding this year, and there will be fewer bush workers from the Lakehead going West for harvesting employment. Of the estimated 2,500 to 3,000 harvesters required, about 1,000 had arrived by September 8 to satisfy the more urgent requests.

The effect of the railway strike on employment was generally less extensive than had been expected. The most serious lay-offs occurred in the Edson and Blairmore districts where 3,750 coal miners were temporarily released. Lay-offs in flour mills and packing plants accounted for a further 1,360 out of the total of 7,150 in the region (excluding railway workers) who were laid off because of the strike.

As indicated by National Employment Service figures on registrations, the improvement in employment at the LAKEHEAD was the greatest in all areas within the region, and by all indications, the winter season will be considerably better than it was last year. Live registrations were 23 and 14 per cent lower than last month and last year, respectively, at August 24. Pulp and paper mills were working to capacity and construction activity was the highest on record. Employment in the woods was over 50 per cent greater than at the same time last year, although still somewhat below the 1947 and 1948 totals. The demand for bush workers has greatly exceeded the supply, but a new labour agreement, providing substantial increases in piecework rates, may attract men to this industry as construction and harvesting in the Prairies slacken off.

A substantial proportion of the reported registrations in the WINNIPEG area represented transportation workers who went back to work when the strike terminated. Activity in construction and related industries was at its peak, accompanied by the usual shortage of skilled tradesmen. Further west, construction was hampered by a shortage of building materials, particularly at CALGARY and EDMONTON. Nevertheless, job registrations in these areas were substantially down from the previous month.

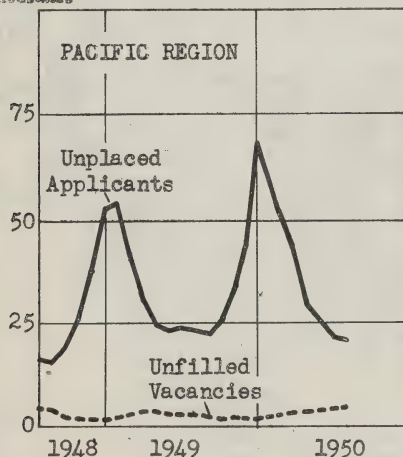
PACIFIC Continuing strong demand for base metals, lumber and pulp-wood products combined with a successful fishing season has brought employment in the Pacific region to a high level. While job applications with the National Employment Service in other regions increased, or declined very moderately, those of the Pacific region decreased 13 per cent from last year, and 9 per cent during the month. Coal production is the only adverse feature of the employment situation. This industry is hampered by a shortage of coal cars inland, while on VANCOUVER ISLAND high trans-Pacific shipping rates are damaging possible export markets.

At VANCOUVER, the fishing season was at its peak. With the pack to date exceeding that of the previous season by 100,000 cases,

canneries were busier than usual but in most instances the local labour supply has been adequate. In coastal waters, landings of all types of fish for the first seven months were up \$3,500,000 in value from the same period last year. The increase was due mainly to a larger sock-eye salmon catch, which would have been much greater had the Adams River run materialized. This run has produced but 15 per cent of the expected catch, with a consequent loss of potential employment and income in the fishing and canning industries.

Several heavy rains during the month reduced the fire hazard on VANCOUVER ISLAND and logging continued in full swing. A heavy construction programme, including housing for naval establishments, and

Thousands



public and commercial buildings has created a shortage of skilled tradesmen, particularly plumbers and pipefitters. As a result of the strike of railway unions and the Seafarers International Union, now settled, 800 men were temporarily unemployed and the flow of tourists to the island was interrupted.

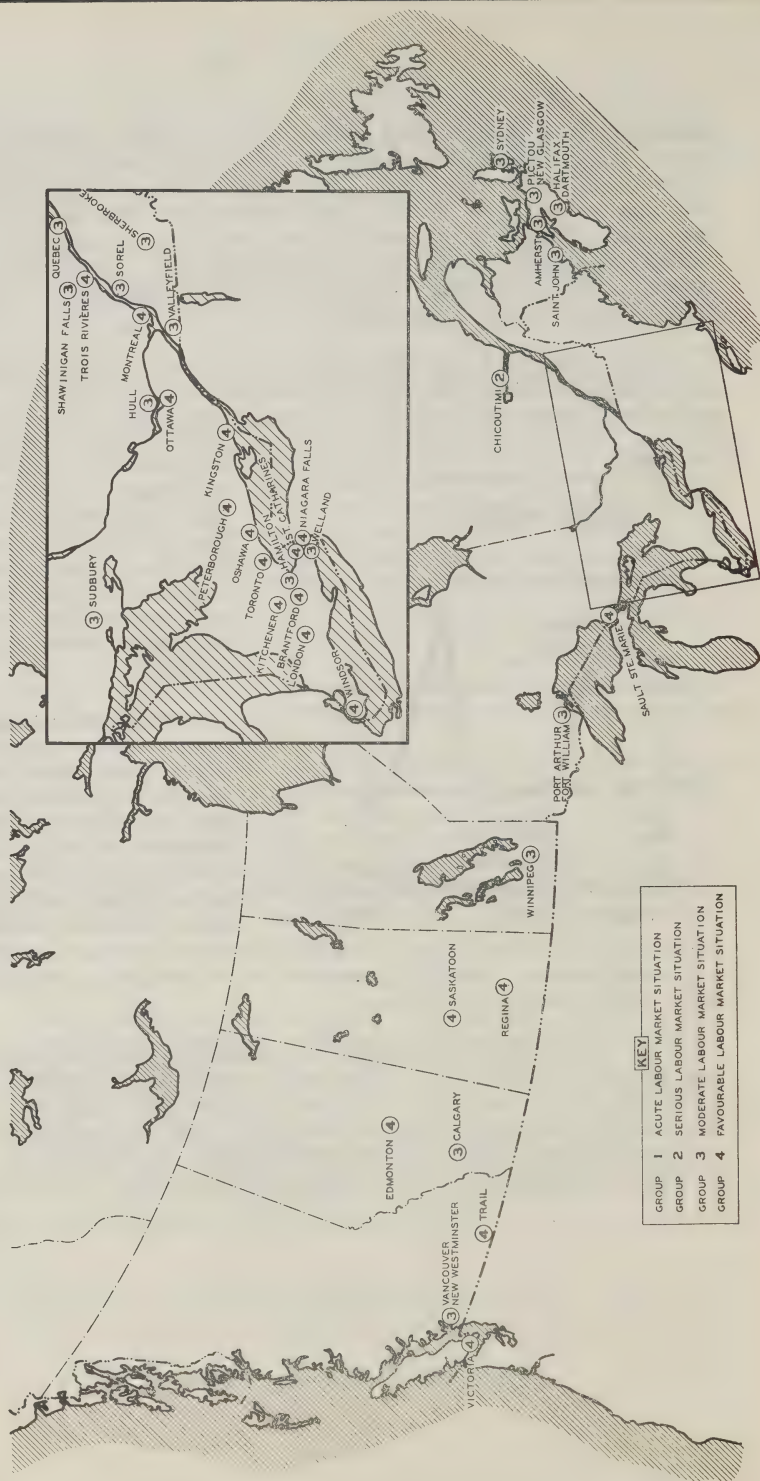
At PRINCE RUPERT there has been a heavy demand for loggers as the operations of the Columbia Cellulose Company develop. A drive for 40 million feet of logs on the Skeena River took place this year and this is expected to increase to an annual drive of 100 million feet. PRINCE GEORGE has been experiencing an exceptionally heavy season of railway, highway and building construction, though elsewhere inland activity in this industry has

been below that of last year.

From NEW WESTMINSTER to CHILLIWACK and throughout the surrounding areas the harvesting of seasonal crops has been under way with the available labour supply sufficient to meet most demands. In the OKANAGAN VALLEY, the apple crop is maturing, with an expected pack of about 7,000,000 boxes. About 1,500 pickers will be required by mid-September, of which 300 may become available as hop-picking finishes at Chilliwack.

CANADIAN LABOUR MARKET AREAS

SEPTEMBER 1, 1950



KEY	
GROUP 1	ACUTE LABOUR MARKET SITUATION
GROUP 2	SERIOUS LABOUR MARKET SITUATION
GROUP 3	MODERATE LABOUR MARKET SITUATION
GROUP 4	FAVOURABLE LABOUR MARKET SITUATION

AREA LABOUR MARKET RATINGS

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I—Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II—Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage-earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III—Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV—Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service offices. The ratings for August and September of 1950 are preliminary.

AREA LABOUR MARKET RATINGS

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio Sept. 1, 1950	Group Rating		
		Sept. 1, 1950	Aug. 1, 1950	Sept. 1, 1949
<u>Population of 100,000 and over</u>				
Quebec	7	III	III	III
Vancouver	6	III	III	III
Winnipeg	5	III	III	IV
Hamilton	5	III	IV	IV
Calgary	5	III	IV	IV
Windsor	4	IV	IV	IV
Montreal	4	IV	IV	IV
Victoria	4	IV	IV	IV
Ottawa	4	IV	IV	IV
Edmonton	2	IV	IV	IV
Toronto	2	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney	12	III	III	III
Saint John	9	III	III	III
Halifax	7	III	III	III
Fort William - Port Arthur	6	III	III	III
London	3	IV	IV	IV
Regina	2	IV	IV	IV
Kitchener	1	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi	15	II	II	III
Hull	8	III	III	III
Shawinigan Falls	8	III	III	III
Sherbrooke	8	III	III	III
Sudbury	5	III	IV	IV
Three Rivers	4	IV	III	III
Brantford	4	IV	III	III
Kingston	4	IV	III	IV
Oshawa	4	IV	IV	III
St. Catharines	3	IV	IV	IV
Peterborough	3	IV	IV	IV
Sault Ste. Marie	2	IV	IV	IV
Saskatoon	2	IV	IV	IV
<u>Population of under 25,000</u>				
Pictou-New Glasgow	13	III	II	III
Valleyfield	12	III	III	III
Welland	6	III	III	III
Sorel	6	III	III	II
Amherst	5	III	III	III
Niagara Falls	3	IV	IV	IV
Trail	3	IV	IV	IV

C A N A D I A N

LABOUR MARKET

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October

1950

FEATURE ARTICLE.....

Many More Logging
Jobs Available in
the 1950-51 Season

Volume 7

Number 10

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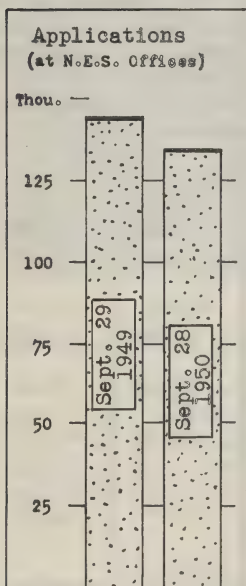
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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Milton F. ~~Cragg~~, V.C., Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

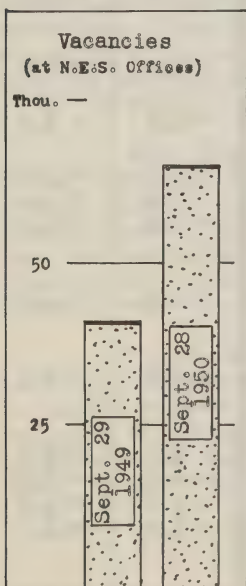
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

THE CURRENT LABOUR MARKET



Although September and early October is traditionally a period of levelling off from peak summer activity, this year labour demand continued strong throughout the early fall. Applications on file at National Employment Service offices declined steadily throughout September, indicating a continually active labour market. On September 28, they totalled 133,100 as compared with 143,000 a year ago; vacancies totalled 64,800, compared to 41,500.

Part of the continued decline in registrations at this time has been due to the late harvest in the West. Of more significance, however, is the increase in labour demand in logging and manufacturing. With a resurgence of cutting activity after last year's slump, there has been a heavy demand for loggers throughout the industry. Since just at this time the logging industry is competing for labour with agriculture and construction, the demand for loggers exceeds the number available in many areas.



The increase in labour demand in manufacturing is the result of the accelerated defence program at a time when production of automobiles, refrigerators and other consumer durables with a large steel content is expanding. Employment is also increasing in manufacturing industries outside the iron and steel group, among them sawmills, canning factories and some textile plants. Vacancies reported by local employment offices for such occupations as skilled machinists, tool and die makers and welders are considerably higher than last year at this time, and some companies have reported a shortage of suitable applicants.

By region, the greatest improvement in the labour market has been in the Prairie region where hiring of harvesters was chiefly responsible. Ontario followed closely with its expansion of manufacturing and heavy construction program. Hiring was also extremely active in Quebec, especially for logging and heavy manufacturing. On the West Coast, the employment situation was one of the most favourable in the past two years. Conditions in the Maritimes were improving gently, stimulated by increased logging activity and the recent impetus to shipbuilding provided by naval contracts.

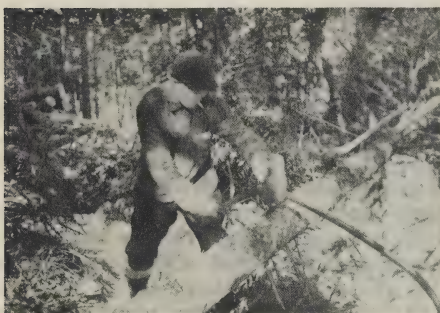
CURRENT LABOUR MARKET STATISTICS

Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	Sept. 28	133,074	-13.2	- 7.0	-
Per cent of labour force.....	Sept. 28	2.5	2.8★	2.7★	-
Per cent of paid workers.....	Sept. 28	3.7	4.2★	4.0★	-
Ordinary live claimants.....	Oct. 1	79,263	19.9	+ 5.1	+40.0
Per cent of insured population...	Oct. 1	2.9	3.6★	3.3★	-
Per cent of live applications for employment.....	Sept. 28	59.6	65.3★	58.4	-
Amount of benefit payments.....	September	\$3,843,797	-12.9	+ 4.7	+53.0
Index of employment (June 1, 1941 = 100).....	Aug. 1	133.7	+ 0.9	+ 1.8	0.0
(Eight leading industries)					
Immigration.....	July	6,724	- 3.1	-36.7	-31.4
<u>Earnings and Income</u>					
Total labour income.....	July	\$691,000,000	+ 1.2	+ 6.5	+ 4.8
Average weekly salaries & wages. (Eight leading industries).....	Aug. 1	\$45.26	+ 0.3	+ 5.2	+ 4.0
Average hourly wages (mfg.).....	Aug. 1	\$1.042	+ 0.3	+ 5.5	+ 4.3
Average hrs.worked per week (mfg.)	Aug. 1	42.5	0.0	+ 1.4	+ 0.4
Average weekly wages (mfg.).....	Aug. 1	\$44.29	+ 0.3	+ 7.0	+ 4.7
Cost-of-living index (Average 1935-39 = 100).....	Sept. 1	169.8	+ 0.8	+ 4.6	+ 2.8
Real weekly wages (mfg. Average 1946 = 100).....	Aug. 1	107.6	- 0.2	+ 3.5	+ 2.0
<u>Industrial Production</u>					
Total (Average 1935-39 = 100).....	August	192.7	- 3.4	+ 8.0	+ 5.7
Manufacturing.....	August	199.9	- 4.0	+ 7.2	+ 4.8
Non-durables.....	August	183.9	- 2.5	+ 4.3	+ 3.5
Durables.....	August	227.4	- 5.9	+11.5	+ 6.8
<u>Industrial Relations</u>					
Strikes and lockouts-days lost....	September	38,376	-	-43.5	+56.1

Data in this table are preliminary figures subject to revision.

★ These figures are the respective percentages for the previous month and for the same month last year.

MANY MORE LOGGING JOBS AVAILABLE



IN THE 1950-51

SEASON

Last winter, the widespread unemployment which existed among loggers was one of the country's most serious labour problems. This year, the problem is expected to be the

reverse--that of finding enough men to work in the woods.

Low inventories of logs, coupled with excellent market prospects, have resulted in plans for an unusually heavy cut this season in all parts of Eastern Canada. With an increase of possibly 25 per cent more than last year's cut anticipated, not only will employment levels be higher but the duration of this employment will also be longer.

In terms of number of jobs provided, it is estimated that about 30,000 more men than last year will be engaged at the peak of operations. Cutting began earlier this year, in fact heavy cutting was going on all summer, and the season is expected to continue over into the first part of 1951. Last year, cutting was generally finished by the end of December.

Most logging companies were hiring all the men they could during August and September in order to get woods work under way as soon as possible and to build up their staffs as insurance against possible labour shortages. During those months, applicants for logging work were scarce in all areas but it was expected that the shortages of labour would be much less serious after the completion of farm and construction work for the year.

The sharp upward movement of employment in the first part of the 1950-1951 season is indicated in the accompanying chart. The data on which the chart is based relate to only part of the labour force--employees of member companies of the Canadian Pulp and Paper Association in Manitoba and Eastern Canada. At October 15, 51,000 loggers were employed by these companies, 32 per cent more than at the same date in 1949.

LABOUR SUPPLY

On the supply side, there are two main reasons for expecting that logging labour will be short. First, since the loggers must be physically fit and used to manual work, the pool of workers available is usually drawn from rural areas; industrial workers contribute little. Thus limited, the industry is not able to build up its labour force from the wider sources of supply which are available to other industries, manufacturing for example. Secondly, employment opportunities in other industries remain good and these will make strong drafts on the logging labour pool. During September, it was reported that a number of experienced loggers were drifting into the cities for factory work. On the other hand, higher wages and the fact that the industry now is covered by Unemployment Insurance may attract men.

Shifts of workers between various areas were going on during the month of September. British Columbia firms were recruiting workers in Quebec and the Maritimes and it was reported that over 200 men had left for the west coast by the end of September. Northern Ontario operators and companies as far east as the Gaspé were also recruiting in the same area, which is a main source of logging labour. At September 15, over 3,000 Canadians were reported as at work in the woods in Maine, with the demand for men in that area expected to increase rapidly. A transfer of 500 Newfoundland workers to Ontario and Quebec for logging work was being carried out by the National Employment Service in September and October.

Increased immigration has been suggested by several firms as a partial solution to the manpower shortages. Displaced Persons brought in during previous postwar years are still an important element in the industry's work force but it is thought that this source might be used more fully. One company in the Lakehead area made the following suggestion:

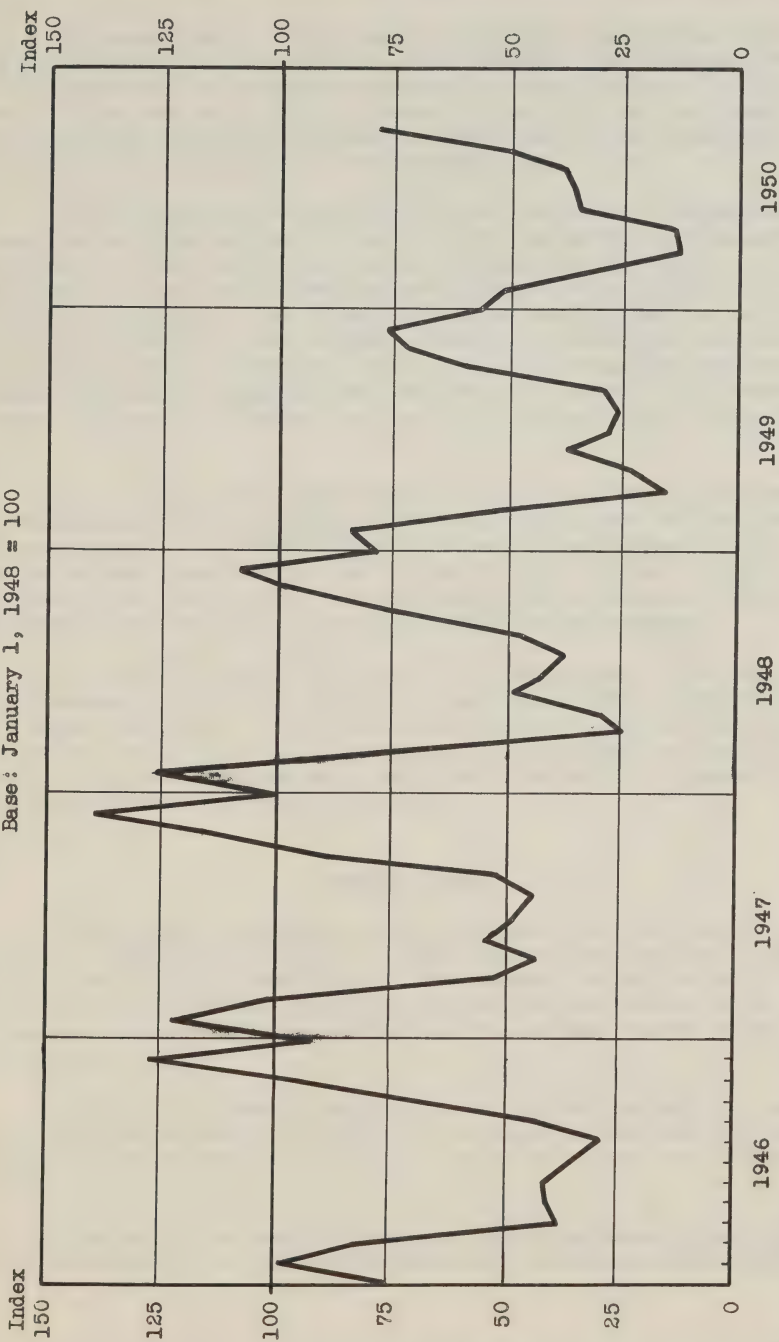
"A good measure of success was attained by this company during the war when German prisoners of war were used. Consequently, we feel that if immigration was made possible for German nationals, the woods industry would receive a fair share....."

SEASONALITY

A longer cutting season is forecast for the industry this year than last. As noted, employers started early in the year to hire men. The combined effect of a heavier cut and labour shortages may force extension of the cutting season. Normally, this stage of the operations would be almost completed by December. This year, however, it may be necessary to continue over into 1951.

EMPLOYMENT TREND IN PULPWOOD LOGGING MANITOBA AND EAST

Base: January 1, 1948 = 100



Source: Canadian Pulp and Paper Association

Increased labour requirements for hauling operations will also assist in providing a longer period of employment. The increase for this work is not expected to be proportionately as large as that for cutting, however. These two stages of the industry's activity are indicated on the accompanying chart, which shows the extension of the season this year, compared to 1949-50 when a short season occurred.

The accompanying chart illustrates the trend of employment since 1946 and the seasonal pattern of work in this industry. The annual peak of employment is reached towards the end of the year during the cutting season, followed by a dip in employment as many of the loggers go home for the Christmas holidays. The labour force continues to decline during the first few months of the year, although there is a change in the nature of the work from cutting to hauling. The low point is usually reached in April. When the drive begins in the early summer, there is an increase in employment followed by another decline until cutting begins again in the fall.

This year, with a high volume of summer cutting, employment has been expanding steadily since May. Although due in part to the low level early in the year, this steady upward movement in employment during the summer is without precedent in the postwar history of the industry. The sharp rise in the early fall indicates that peak requirements should at least approximate those of the record 1947-48 cutting season.

The cutting season finished early last winter, with peak employment in November. During the first four months of 1950, unemployment among loggers was severe. The same situation is not expected to recur this year with cutting activity extending over into 1951 and requirements for hauling higher. This season's employment pattern is expected to correspond most closely to that of 1947-48.

LABOUR DEMAND

Production, consumption and inventories: The low inventory position of most logging companies is a major factor creating the strong demand for labour at the present time. Last season, market uncertainties resulted in a light cut but, with the improvement in markets early in the year, consumption of logs rose sharply and mills were forced to cut into their log inventories.

At July 31, domestic mills east of the Rockies had 8.2 million cords of pulpwood in stock as against 10.0 millions one year previously. This total includes wood in blockpile and in all water and land storage positions.

The rate of consumption in these mills has been expanding during the year as shown on the following table. In the first seven months of

1950, nearly 6.0 million cords were consumed by domestic mills in the East. In 1949, in the same period, 5.3 millions were used.

With a heavy summer cut, production has been higher in the first part of 1950 although the cut was not heavy enough to cut into employment requirements for the fall and winter season. Up to the end of July, about 3.5 millions cords were cut by pulp mills or purchased from independent cutters, compared to 2.9 millions in the first seven months of 1949.

The total log supply of the pulp and paper companies consists of first, wood cut on logging limits by the companies themselves and secondly, wood purchased from people cutting on their own, principally farmers. The amount of purchased wood is expected to drop this year, as the price is reportedly high and the quality often poor. This means that more cutters will be employed directly by the larger logging companies, rather than cutting independently for themselves.

Production, Consumption and Inventories of Pulpwood
for Domestic Mills East of Rockies
In Thousands of Rough Cords

Source: Forestry Statistics Branch, D.B.S.

Month	Production	Consumption	Inventories
1950			
January	645.1	800.5	10,762.4
February	452.1	763.7	10,489.7
March	357.4	871.3	9,996.9
April	250.3	821.2	9,423.5
May	476.1	920.4	9,224.1
June	643.0	886.3	8,942.6
July	641.3	871.5	8,230.2
Total	3,465.3	5,934.9	-

Markets: The present favourable market conditions are expected to continue during the next year and this outlook is an important factor in producers' decisions to make a heavy cut this year. Excellent market conditions exist for all types of forestry products—pulpwood, pulps, newsprint and lumber.

Price changes announced by newsprint firms in October have not resulted in any drop in demand. The United States, which now takes 90 per cent of Canadian production, is apparently capable of absorbing all that can be produced. The United Kingdom is also back in the market, which will

improve logging employment conditions in Newfoundland particularly. An official of a large Maritimes mill made the following statement in this connection:

"Great Britain is again in the market for sulphite pulp but we doubt very much that we can increase our shipments there due to the great demand from our regular customers in Canada. Britain's recent sources of supply--Sweden and Finland--apparently have not proved satisfactory. Prices of pulp from both these countries have increased greatly and are very much higher than prices quoted by Canadian mills for similar products. In addition, delivery dates are not dependable. We do not think it advisable at this stage to deny our regular customers in order to fill spot orders from Britain, especially as this business may prove to be only temporary."

As far as lumber markets are concerned, the basic trend is firm. Domestic demand is strong with a heavy backlog of construction work and a good year expected for the furniture industry. A weakening in the United States market took place this fall after the revaluation on the Canadian dollar and a drop in demand consequent on a shift in emphasis from housing to military requirements. Although several hundred workers were laid off from British Columbia shingle mills as a result of this "market scare", the logging industry was not expected to feel the effect of this short term movement.

The prospects are for increased sales of Canadian lumber to the United Kingdom this year. With an additional order for 190 million board feet received in September for delivery by June, 1951, the total now required by the United Kingdom from B. C. mills reached 650 million board feet. Negotiations for a 1951 contract began in September between the Maritime Lumber Bureau and the British Timber Control. The Maritimes share in Britain's purchases is expected to be about 100 million board feet, possibly at better prices. At the end of September, 30 million board feet of the 1950 contract remained to be delivered.

In short, the demand for all types of forestry products is strong and labour requirements for woods work will be correspondingly high. The limitations on production can be expected to be 1) shortage of manpower and 2) weather conditions, particularly in British Columbia.

Newfoundland: The United Kingdom, the chief customer of the Newfoundland forestry industries, is making higher purchases this year due to improved dollar position and the difficulty of obtaining supplies in the European market. This will mean higher sales both of pulpwood and of newsprint. The two main producers on the Island, Bowater's and the Anglo-Newfoundland Development Co., plan to employ an estimated 8,000 men in the

woods this year between them. In contrast with last year when employment was reduced in both the primary and secondary forestry industries, Sir Eric Bowater recently summarized the plans of his company as follows: "With the present world demand for newsprint, there is a need for maximum output....."

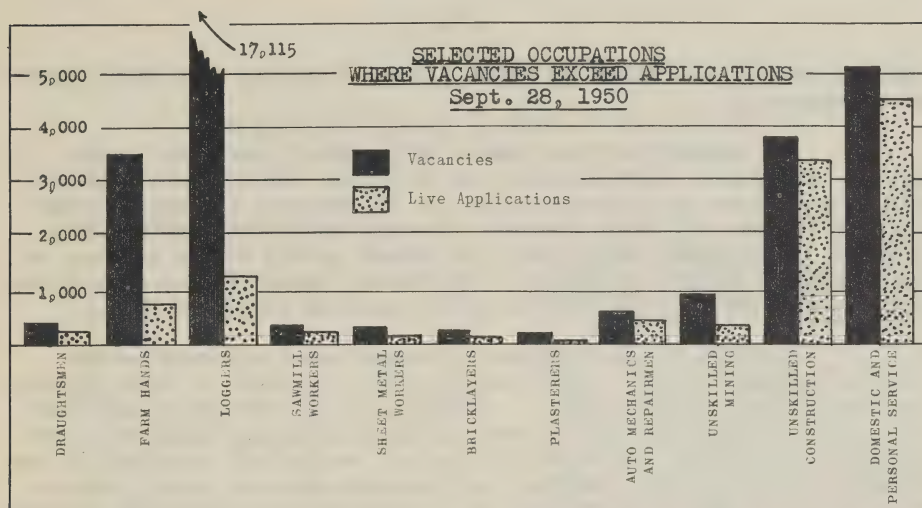
Eastern Canada: Shortages of labour are definitely looked for in some parts of the Maritimes, Quebec and Northern Ontario. The Maritimes may not experience as severe shortages, as this region is a principal source of experienced woodworkers. Demand from companies in Maine will cut into this supply, however. This season, with contracts with United Kingdom apparently definite, more smaller operators will be hiring pulp cutters in the Maritimes region, however.

Demand from other industries, particularly manufacturing and mining, will be felt most strongly in Ontario and Quebec. Some tendency toward increased wage rates is apparent as a result of shortages of workers, mainly on the part of companies paying lower wages than the average. The going wage was around \$5.00 per cord at the beginning of the season, with the average logger cutting from $1\frac{1}{2}$ to 2 cords per day.

Lakehead: Logging camps operating in Northwestern Ontario draw many of their workers from the local area but as well as a considerable proportion come from the Prairie provinces. There was a large surplus of applicants for logging work in this area last year, since seasonal industries such as farming, lake shipping and construction employ a large segment of the labour force. Many of the companies operating in this district are sawmill operators and pulpwood exporting firms who have not the extensive limits that most pulp and paper firms have. This may be a limiting factor on employment.

British Columbia: Unusually severe weather conditions were one of the principal causes of the extensive unemployment which existed among B.C. loggers last year. Although the winter season marks the low point in cutting activity, lay-offs as a result of snow and cold weather should not be as heavy this year. Among companies operating on the upper levels, however, closures due to snow are customary. A high degree of skill is required in many of the occupations in the industry and the scarcity of qualified men in key skills may limit expansion in the less skilled section of the labour force.

EMPLOYMENT SERVICE ACTIVITIES



Applications on hand at employment offices were still declining during the last week in September and at September 28 had fallen to 133,100, almost 8,000 less than at the same date last year. This was indicative of the buoyant state of the labour market during the late summer and fall months. With seasonal activity reaching its peak in agriculture, food processing, construction and transportation, with defence preparations stimulating employment in manufacturing and with the logging industry preparing for a heavy cut this fall, the labour market was more active than at any time since the immediate postwar years. By the end of the month there were more jobs registered for men at N.E.S. offices than there had been since 1947.

The greatest activity was in the unskilled labour market. It is estimated that there are about 300,000 seasonal workers in Canada who work as the season demands in agriculture, fishing, construction and logging. During September, the demand for these workers overlaps and logging industries vie with agriculture and construction for the same supply of labour. This year, the competition was even keener since harvesting operations have been delayed in Western Canada. At the same time, application files in Ontario were being combed to find workers for the Prairie harvest, the logging industry was attracting help by high wages and offers of longer employment. Workers were not only being drawn from agriculture but from construction and mining. Nevertheless the working force in logging had not yet reached its peak. Unfilled vacancies at National Employment Service offices, which probably represent the

smaller part of the demand for woods workers, totalled more than 17,000 at September 28.

The strength of this demand will probably carry well into October and absorb unskilled help, but as winter descends and construction, agriculture and transportation lay off workers, the seasonal surplus of workers will again develop. Barring unforeseen developments, however, unemployment among unskilled workers should not be as heavy as last winter. Already at the end of September, registrations among these workers were about 25 per cent below the previous year's level.

Although the focal point of recent demand has been the unskilled seasonal worker, labour shortages have appeared in other fields, as shown in the foregoing chart. Shortages of skilled and semiskilled men in construction and in some metalworking trades had appeared; auto mechanics were still scarce and the lack of female help persisted in the domestic service field. Seasonal developments will not greatly change this situation and in some cases, as in metalworking, demand may increase in the coming months as more orders are placed for defence projects.

The number of workers and jobs brought together by the Employment Service during September was at a record high for the past four years. While most of the orders were filled by local workers, increasing numbers were being put in clearance--that is, were being circulated through the region or the Dominion, if necessary, to find suitable help. Orders for farm help, loggers, various construction and metalworking tradesmen as well as requests for bank clerks were being sought outside the local office areas where the orders were placed.

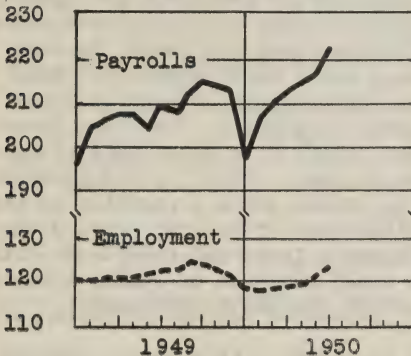
Despite the fact that more women have been placed during the past five months than in the same period in any postwar year, applications on hand at the end of September were more than a third higher than a year ago. This, to some extent, was due to the number of married women returning to the labour market. High living costs have been forcing housewives who have not been working for many years to seek work; others have been registering at N.E.S. offices in anticipation of job opportunities in aircraft and munitions plants. However, there is also a core of applications on file from women who are registering for employment only to collect unemployment insurance benefits.

New regulations under the Unemployment Insurance Act endeavour to correct the latter situation. After November 1st, married women who have not worked 90 days since their marriage or since their first separation from employment after their marriage may be disqualified from receiving unemployment insurance benefits for a period of two years unless the reason for their release was a shortage of work or an employer's rule against employing married women.

INDUSTRIAL LABOUR MARKET

MANUFACTURING

Index - Base: June 1, 1941 = 100



A marked increase in labour market activity in the manufacturing industries was evident during September, as the economy expanded in response to increased seasonal activity and defence spending stimuli. Hirings were heavy during the month, wage rates were rising, many new factories were either planned or in the contract stage, and shortages of some materials, notably steel, were beginning to develop.

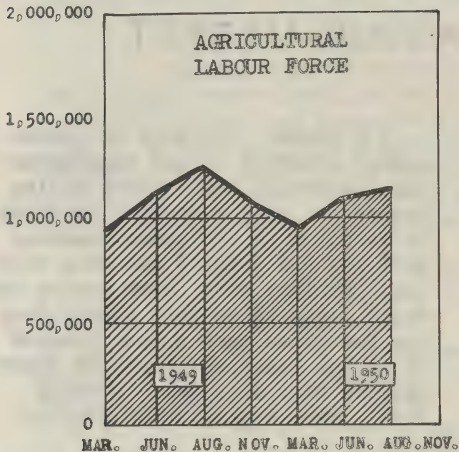
The producer goods industries, in which heavy lay-offs have occurred in the past two years, were preparing to return to near-wartime levels of production and employment. Aircraft, shipbuilding, and arma-

ment plants were adding large numbers of workers to their staffs. While some consumer durable goods industries, particularly those producing electrical apparatus and automobiles, were expanding, employment in other consumer goods industries such as textiles, tobacco and beverages was either stable or declining.

With an expanding economy, the upward movement in wage rates became more general during the month. With new collective agreements being negotiated for the year, wage increases were being given in most industries, usually without a work stoppage. In the meat packing industry, 10,000 employees of the "Big Three" received an $8\frac{1}{2}$ cent-an-hour increase; some 6,000 Eastern Canada textile workers received varying increases; Montreal and Toronto fur workers were also given industry-wide pay raises and about 20,000 iron and steel workers, including employees of General Motors and Chrysler, received wage boosts.

During August and September, there was a rush to start work on new factories before anticipated shortages of key materials developed. Industrial contracts awarded during these two months were unusually heavy, bringing the 9-month total to \$102.5 millions, about 25 per cent above the comparable 1949 figure. Over 2,700 new job openings were reported to the Department of Labour during the third quarter of the year, as a result of the completion of 38 new plants.

AGRICULTURE



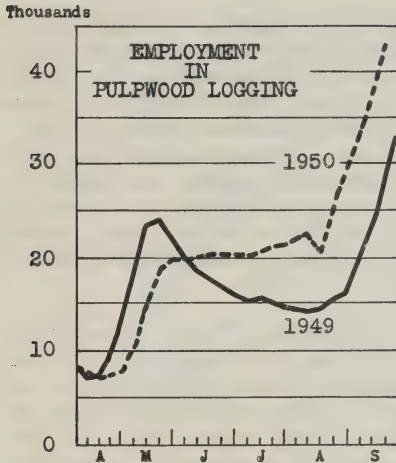
of the agricultural labour force. The usual addition of family workers at this time was not large enough to offset the above declines.

The Prairie harvest was late in starting this year, getting under way about the first week in September, and was further delayed by wet weather in some parts of Manitoba and Saskatchewan. Labour shortages were general throughout the region, especially since the harvests in the three provinces occurred at the same time this year. In the organized movement of harvesters from Eastern Canada to the Prairies, 2,300 workers were sent during August and September.

Potato picking made heavy demands on Canadian labour during September. About 2,200 pickers from Quebec and New Brunswick went over to Maine in the organized movement this year, as compared to 1,350 in 1949. There were three organized movements carried out within the Maritime provinces: about 600 pickers went from Nova Scotia to Prince Edward Island; 1,000 workers took place in a movement within the province of New Brunswick and another 100 in a similar movement in P. E. I. A movement from the Prairies to North Dakota was also carried out.

Data on wages paid male help on farms, issued by the Dominion Bureau of Statistics, showed that wages at August 15 were the highest on record. A downward movement in wage rates was experienced in 1949 but the scarcity of farm labour, together with increases in wages and prices generally, have terminated this trend. This year farm hands were getting \$4.43 per day with board, \$5.43 without; those working by the month were being paid \$88.29 with board, \$119.73 without. Comparable rates for last year were \$4.35 and \$5.29 by the day; \$84.92 and \$114.00 by the month.

LOGGING



Eastern Canada including Manitoba as reported by Canadian Pulp and Paper Association.

In sharp contrast with the 1949-50 season, labour demand in the logging industry was very strong in all regions during September. In the East, with excellent market prospects for both lumber and pulpwood, operators were planning a heavy cut and were starting early to build up their staffs. The supply of labour was limited however, as both construction and agriculture were at the peak of seasonal activity and the demand was far in excess of supply.

The British Columbia forestry industries continued to operate at a high level, with ideal weather conditions prevailing during most of the month. Shortages of skilled and unskilled workers were reported in all occupations, although labour turnover was lower. Fire hazard was the only other limiting factor on production

and resulted in a three-day lay-off of 450 workers at Ladysmith. Rains toward the end of the month eliminated this hazard in most areas.

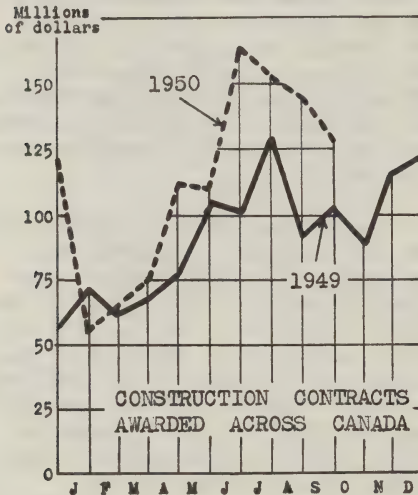
With this heavy demand in all regions, the number of unfilled vacancies registered with the National Employment Service increased sharply during September. At the month's end, there were 17,000 registered as against 6,000 at the end of August. The demand was strongest in those areas in which heavy unemployment occurred last year. About half the total of 17,000 was in the province of Quebec, 4,600 in the Prairies (chiefly the Lakehead area), 2,400 in Ontario and 1,100 in the Atlantic region.

CONSTRUCTION Construction activity was at its seasonal peak in September, with the industry operating at capacity and backlogs of new work beginning to pile up. The demand for workers was increasing and labour shortages, which had existed all summer, became more severe during the month. These shortages were common to both skilled workers and labourers in all occupational groups. In only one large city, Vancouver, where several large commercial and housing projects had been completed, was a drop in demand reported.

In addition to the scarcity of suitable labour, shortages of material were also a limiting factor on production. Temporary lay-offs of construction workers due to lack of materials were reported from various centres in Ontario, Quebec and British Columbia during the month. The type of material in short supply varied by locality but structural

steel, cement, plastering materials, and brick were among the more important.

High employment in the industry in the immediate future is indicated by the large number of projects now in the contract stage. An unusually high volume of contracts were awarded in September, the figure

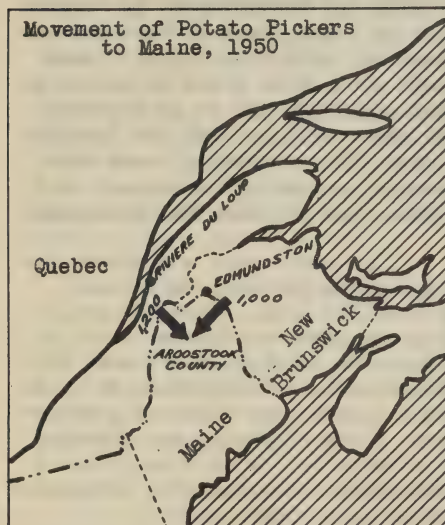


of \$129 millions being the highest on record for that month. This brought the nine-month total value of contracts awarded to \$1.01 billions, well above the total of \$812 millions for the same period in the record construction year in 1949.

In spite of this apparent increase in the volume of work, the Dominion Bureau of Statistics index of construction employment at August 1 was below that of August 1, 1949. The index for that date in 1950 was 202.3, as compared to the 1949 figure of 203.5 (1926=100). This slight decline was due to a drop in railway and highway construction, as the building construction index was above that of August

1, 1949. On a regional basis, these year-to-year comparisons show that reported employment was down at August 1 in the Maritimes, Quebec and Pacific areas, with Ontario and the Prairies showing increases. The following are the August 1 indexes of construction employment on the base 1926=100, with the comparable figures for August 1, 1949 in brackets: Maritimes, 366.1 (420.6); Quebec 165.1 (170.0); Ontario 212.8 (202.6); Prairies, 189.9 (174.9); Pacific, 198.7 (214.8).

CANADIANS AID IN MAINE POTATO HARVEST



Arcoosook County, the northern tip of Maine which juts up into Canada between Quebec and New Brunswick, has long been famed as one of the principal potato-growing areas of the United States. The potato crop forms the chief basis of the economy of this area and a measure of its importance can be seen from the fact that a labour force of 30,000 now is required to harvest the crop.

Since the early 1900's, French-Canadian habitants, mainly from Temiscouata and Madawaska counties, have trekked across the border to assist in picking the potato crop. This fall, as has been the case since 1943 this movement of workers has been planned and organized by the Department of Labour and National Employment Service in Canada, in conjunction with the Maine Employment Security Commission and the United States Employment Service. Over 2,200 workers went across in the 1950 movement, which began on September 16.

The number of Canadian workers that can be absorbed differs considerably from year to year, depending on the crop, the local labour supply and the inward movement of labour. A few weeks prior to the movement, however, American officials send the Department of Labour in Ottawa an estimate of the number of workers they think will be required. The National Employment Service then endeavours to recruit the required number of workers, with quotas given to the local offices in the areas concerned. In the 1950 movement, most of the workers came from the Riviere du Loup and Edmundston local office areas, with a few from Levis and Montmagny. By province, about 1,200 of the 2,200 total were from Quebec and the remainder from New Brunswick.

The processing of workers in the movement may be divided into two main stages a) recruiting and b) the actual movement across the border.



Recruitment

The processing of the recruits for the movement is carried out by joint teams of Canadian and American officials. These teams move about from place to place, so the applicant can be interviewed at some point not too far from his home. Two processing teams were working on the 1950 movement in Quebec and northern New Brunswick.

The applicants who appear for processing are taken from a list drawn up by the National Employment Service and have been notified when and where to come. When the applicant appears, he is checked off this list and given a referral form by the local office officials (see top photo). He is then interviewed by a representative of the United States Department of Immigration who asks him if he has a criminal record or if he has ever been deported from the States and records his name, age, address, place of birth, and physical characteristics. If he passes this satisfactorily, he is then given a work permit card by officials of the Maine Employment Security Commission and told when to report to cross the border (see bottom photo).

As there is considerable amount of paper work to be done, a processing team will consist of usually eight persons or more. This total includes two National Employment Service officials, two Americans (Immigration and M.E.S.C.) and four stenographers. As well, there may be two or three supervising officials on hand, from Ottawa or the Boston office of the U.S.E.S., or from the M.E.S.C. With this staff, the applicant is processed quite quickly, usually in less than five minutes, and about 100 workers can be passed through in an hour.

The processing at Estcourt was typical of this stage of the movement. The processing team arrived at the Parish Hall at Estcourt at 9.00 in the morning and found a crowd of about 300 persons waiting. These were mostly younger men, who looked as though they had been used to farm or bush work, with a sprinkling of older men and women in the group. The women for the most part go over as



cooks for a crew and only a limited number can be taken. With only one or two exceptions, the workers were French-Canadians, often colourfully dressed in lumber jackets and high boots.

The processing team set up its equipment in a small room attached to a large auditorium in which the pickers waited. The applicants were admitted a few at a time and were passed through without any difficulty and quite quickly. The only case during the movement where there was a hold-up was at Edmundston, where there was a higher proportion of women than the Americans thought there would be accommodation for, as the pickers usually have bunkhouses where the men stay in a group. There was no difficulty in obtaining the daily quota of 300 at Estcourt although at St. Rose workers were a little short one day.

Movement across the Border

The first group of workers went across the border on September 16. This was a "trial" movement to iron out any administrative difficulties which might arise. The workers proceeded on their own to a designated point near the border, in this case Clair, N.B., where they were met by American growers.

This part of the movement constitutes what is probably the closest approximation possible to a real "labour market". Here the American farmers and the Canadian pickers meet in direct negotiation over employment and wage rates. In this case, the point of assembly was a big yard in front of the local hotel, where the pickers stood about in small groups and the growers circulated among them. The Americans usually wanted from six to thirty men, depending on the size of their farm. After some preliminary negotiations, a wage of 18 cents per barrel without board (or 16 cents with board) was finally agreed upon in most cases. This became the going rate during the remainder of the movement. Most farm-



ers give the pickers a bonus of 2 cents per barrel if they stay for the whole harvest.

On this particular day, a fairly good balance was achieved between the demand and supply for labour. The total requirements of the American growers who had been sent up was expected to approximate 150, the number of pickers who had been asked to appear on that day. At the end of the day, all the pickers had been hired except a few married couples for whom no accommo-

dation was available. In many cases, workers had been going across to the same man for several years, often as part of a large crew, and hiring arrangements in these instances were practically automatic.

The movement across the border continued daily during the following week, from September 19, to the 23rd, with a few hundred going over every day.

Employment and Wages

Most of the Canadian potato pickers would be employed for about three weeks in the 1950 season. If their productivity was the average 54 barrels per day, at 18 cents a barrel, they would earn close to \$10 per day.

The Canadians for the most part were destined for northern Maine, where little local labour for potato picking was available. Although some of the pickers would be working for one farmer all season, many others assigned to smaller farms would be shifting about from farm to farm until the harvest was completed.

American Part in the Movement

The American officials engaged in the movement all had a wide background of knowledge and experience with Canadian labour. There is a considerable amount of work to be done in advance, carried out by the Maine Employment Security Commission which works very closely with the potato growers' association. Fourteen temporary employment offices were set up in the potato-growing area this year. One of the most difficult problems is to estimate the number of workers required, and to determine how many can be brought in from Canada. The estimate made by the state officials is checked by the Foreign Labour Office of the U.S.E.S. in Washington, who fit the potato movement into the broader employment picture in the States.

ACCELERATED PLANT BUILDING PROGRAM IN THIRD QUARTER, 1950



Industrial expansion in manufacturing industry has shown a marked increase in recent months; a complete reversal of the downward trend established after the peak year of 1948. This spurt of activity seems primarily due to the fear that building materials will become short and construction costs will rise. In the first nine months of

1950, the value of industrial contracts awarded totalled \$102.9 million, compared to \$83.1 million in 1949 and \$105 million in the peak year of 1946.

Similarly, new employment because of industrial expansion has already exceeded the pace set in 1949, and shows signs of overtaking the peak established in 1948. In the first nine months of 1950, 7,000 new jobs were tabulated by this branch of the Department of Labour. This compares with 5,500 in 1949, and 11,000 in the first nine months of 1948.

In the third quarter of 1950, 2,700 new jobs were tabulated as the result of industrial expansion in manufacturing industry. This is a very high figure in comparison with 1949, and 1948; in the same period of 1949 there were 1,700 new jobs while in 1948 there were 3,000. A preliminary tabulation of fourth quarter employment effects would indicate that at least 1,600 additional new jobs will open up in the fourth quarter of 1950. This would mean a minimum total for the year of 8,600 a figure which already exceeds that of 1949, when a total of 8,000 new jobs were tabulated for the complete year.

The following table lists the new jobs made available during the third quarter of 1950:

<u>Industry</u>	<u>Number of Projects</u>	<u>Number of new Employees</u>
Electrical apparatus	3	170
Food and beverages	5	510
Iron and steel products	7	470
Non-metallic mineral products	4	140
Other	3	10
Textile products	6	240
Transportation equipment	5	950
Woods products	5	210
Total	38	2,700

SELECTED INDUSTRIAL EXPANSION PROJECTS

completed in

Third Quarter, 1950

Area	Name of Company	Industry	Number of New Employ- ees (1)
<u>Atlantic</u>			
Amherst	The Lee Hat Corporation of Canada Limited	Textiles	10
	Wolfe Cap and Sportswear Limited	Textiles	10
Oxford	T. C. Glennie Lumber Company Limited	Wood Products	150
<u>Quebec</u>			
Montreal	Dominion Textile Company Limited	Textiles	186
	Perkins Paper Products Limited	Paper Products	30
St. Johns	J. B. Martin Company Ltd.	Textiles	25
<u>Ontario</u>			
Midland	The Copeland Flour Mills Limited	Food & Beverages	10
Toronto	Builders' Flooring & Mill- work Limited	Wood Products	5
	Eastern Steel Products Limited	Iron & Steel Products	20
	Macotta Company of Canada Limited	Iron & Steel Products	30
Uxbridge	Fritz W. Glitsch & Sons (Canada) Limited	Iron & Steel Products	20
<u>Prairies</u>			
Calgary	Alberta Distillers Limited	Food & Beverages	70
<u>Pacific</u>			
Quesnel	Western Plywood Company Limited	Wood Products	80

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

FEW LAY-OFFS IN MANUFACTURING IN SEPTEMBER

Employment conditions in most manufacturing industries have improved to such an extent in recent months that non-seasonal lay-offs have practically disappeared. With a total reported employment in manufacturing of 1,092,000 at August 1, the 1,263 workers temporarily released in September appear insignificant. Only six manufacturing industries reported lay-offs in September.

The predominant season for non-seasonal lay-offs from manufacturing plants is no longer a shortage of orders. During September, lack of orders accounted for only 18 per cent of total lay-offs. This is a complete reversal of the pattern established late in 1948 and continued since then, when a falling-off in demand, particularly for producer goods, was responsible for most of the lay-offs reported. In September, the only significant lay-offs because of lack of orders was in Halifax Shipyards Ltd. which released 165 workers; most of these men were labourers.

As in the early postwar years, material shortages are again threatening to create some unemployment. Steel in particular was becoming scarce in September. The Steel Equipment Co. at Pembroke, Ontario was forced to lay off 75 workers for an indefinite period because of steel shortage and may lay off more later. The Fleet Manufacturing Co. at Fort Erie released 52 workers for the same reason.

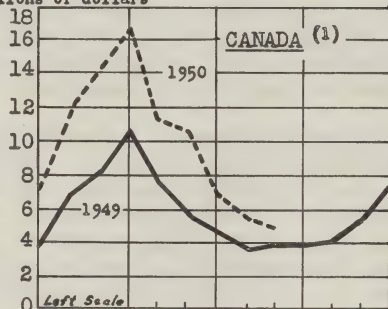
A shortage of hydro-electric power has again caused some temporary lay-offs by manufacturing firms. The Chromium Mining & Smelting Co. at Sault Ste. Marie, released 60 workers, while the Electro-Metallurgical Co. at Welland laid off 50 men. Both these lay-offs are for an indefinite period, the length of time depending on the availability of hydro-power.

Two automotive firms had lay-offs because of re-tooling; Chatco Steel Products at Tilbury, Ontario (Hudson cars) laid off 60 workers temporarily, while Twin Coach of Canada Ltd. at Fort Erie (buses) released 104 workers. The International Harvester Co. of Canada Ltd. was forced to lay off approximately 500 workers because the supply of parts was cut off by industrial disputes in United States plants. With the Canadian automotive industry extremely active at this stage, none of these lay-offs reflect a drop in demand for automotive products. Employment in the industry is very high with almost the whole industry operating at capacity.

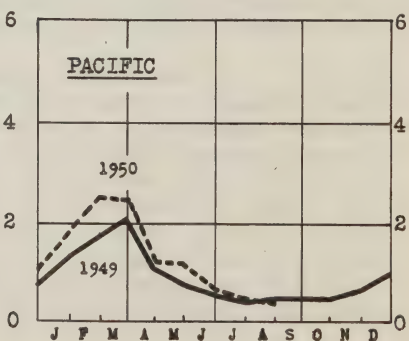
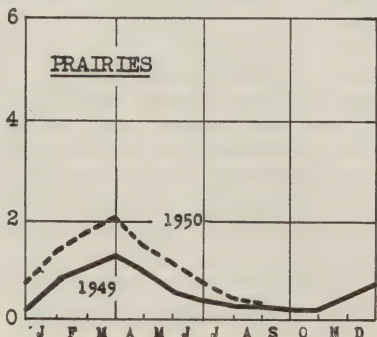
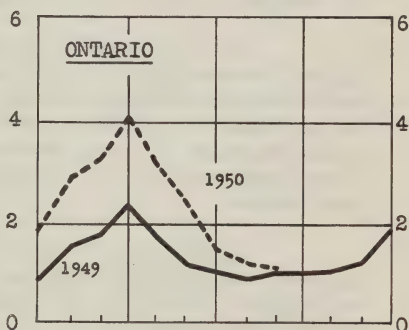
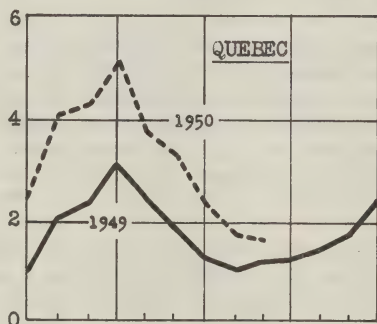
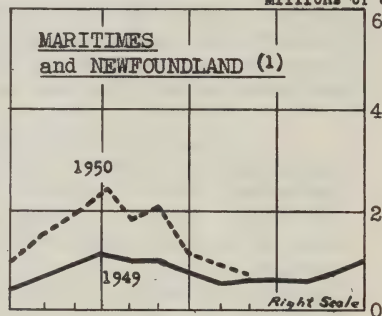
BENEFIT PAYMENTS

UNEMPLOYMENT INSURANCE AND UNEMPLOYMENT ASSISTANCE [NEWFOUNDLAND]

Millions of dollars



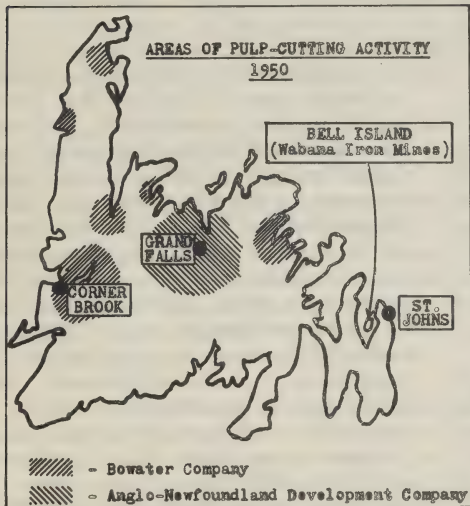
Millions of dollars



(1) Includes Unemployment Insurance and Unemployment Assistance in Newfoundland from April 1949.

REGIONAL LABOUR MARKET

NEWFOUNDLAND



The continued improvement in employment conditions in Newfoundland during September was based largely on the optimistic outlook for the newsprint industry, while fishing, mining, building and road construction and railway track maintenance kept large numbers of workers occupied. Registrations with National Employment Service offices in Newfoundland declined a further 1,100 during the month, due principally to hirings for woods work reducing total live job applications at September 28 to 5,500 about 1,300 below the comparable 1949 total.

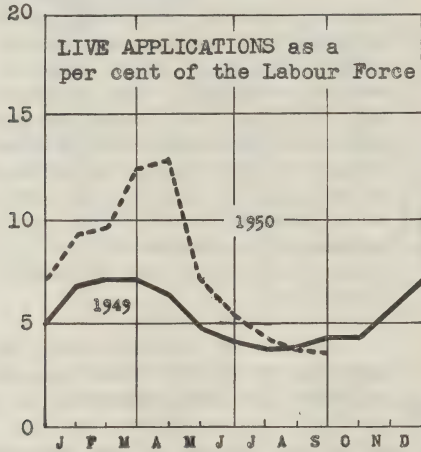
In the ST. JOHN'S area, the approach of winter meant increased activity for two industries in particular. In an effort to fill

orders for one million tons of iron ore before the end of the shipping season, mining activity on Bell Island moved toward peak proportions and one of the mines closed down last year is to be returned to operations with a double shift. This may raise total employment at the Wabana mines to around 2,000. In St. John's itself, where wholesale and retail traders are busily preparing for the pre-Christmas peak of sales activity, the rising volume of imports and heavy shipments to the outports before the freeze-up have meant increased employment among transportation and dock workers. About 170 employees were laid off when a large department store in the city closed, but this store is expected to reopen shortly under new ownership and management. In the Bonavista North district of the area, pulpwood contracts let by the Bowater Company to jobbers will provide work for some 600 pulp cutters and numerous other woods workers. Following the successful shore and lobster fisheries in the district, this woods activity presages greatly improved conditions there this winter.

About twice last year's number of woods workers are now engaged in pulp cutting in the GRAND FALLS area, where the pulp and paper mill continued to operate at capacity during the month, with a slightly greater number of employees than a year ago. The possibility that the pulp mill in Bishop's Falls may be closed permanently has raised the question of alternative jobs for over 100 workers. Pulp cutting operations in the CORNER BROOK area have now been extended to three areas of

the northern peninsula, providing employment for several hundred men from the outports in that area. Building and road construction in and around Corner Brook continued to be very active during September, with work on the new cement plant at Humbermouth under way.

MARITIMES



the future plans of steel plants uncertain, although their activity has been generally well maintained. Greater shipyard activity is, so far, the only apparent result in the Maritimes of increased defence expenditures.

Live job applications on file with National Employment Service offices in the Maritimes at the end of September totalled 16,500, only slightly lower than at the end of August but over 2,000 below the total a year ago. Registrations at most local offices varied only slightly over the month, but the decline relative to last year appears to have taken place in the smaller areas, while data from most of the larger centres show slight increases over 1949.

High level activity was maintained throughout September in all PRINCE EDWARD ISLAND industries, although trade and services slackened somewhat as the tourist season drew to a close and some reduction in fish processing employment took place as catches fell off with cooler weather. Record construction activity shows little sign of slackening, and the general agricultural situation is favourable, despite particularly low potato prices.

In the HALIFAX area, fish processing continued somewhat slack as fishermen made preparations for the fall fishery and unfavourable

Features of the still improving employment situation in the Maritime provinces during September were the continuing high level of construction activity in many areas; movements of harvest workers into Prince Edward Island, New Brunswick and Maine potato fields and Annapolis Valley orchards; further increases in pulp and lumber cutting activity, although the strong demand for harvest help retarded the expansion of woods employment; and increases in shipbuilding employment. In addition, coal mining employment continued at a high level as steps were taken to further increase coal output, and prospects for the winter months are bright; growing shortages of material make

weather kept vessels in port. The construction industry maintained peak activity despite interruptions caused by material shortages, and little change, especially among the skilled trades, is foreseen for some considerable time. Shipbuilding employment in the area increased somewhat during the month, as preparations got under way for the start of work in the Spring on newly-let naval contracts that will eventually result in almost double the present number being employed.

The new collective agreement that will result from the SYDNEY steel workers' recent acceptance of conciliation board findings is expected to mean the release of fewer workers from steel plant employment during the winter, as the 40-hour week is gradually brought into effect, rather than any substantial increase in employment. During September, employment in the steel plant, in coal mining and in construction remained at high levels in the area, and fall and winter prospects are very favourable for these industries. In the INVERNESS area, the longer-term employment outlook has been brightened by the proposed opening of a new coal mine that may employ 100 workers.

Pulp cutting activity in NORTHERN NEW BRUNSWICK continued to expand during September, although the supply of woods workers is expected to remain below requirements until the harvest season closes. Potato growers in the WOODSTOCK area, experiencing some difficulty in obtaining sufficient help to harvest a large crop, encountered prices as low as 60 cents a barrel while placing production costs at more than twice the figure.

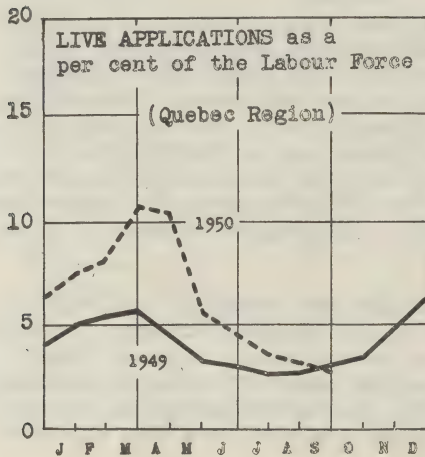
In the SAINT JOHN area, shipyards employment increased by almost 200 during the month, and little change from the current level of about 650 is foreseen in the near future. While a substantial volume of construction continued under way in September, prospects for inside work during the winter indicate a considerable reduction in employment unless an early start is made on some of the new projects for which contracts have just been let. Although a number of ships have been using Saint John port facilities, they have provided longshoremen with only short periods of employment.

QUEBEC

Although employment in the Quebec region was nearing its peak by early October, the outlook for the winter was good, especially when compared with the situation at this time last year. Defence preparations had resulted in orders being placed with firms in Sorel and Levis that were boosting or will boost the employment levels which had sagged during the previous year; increased aluminum production has resulted in employment gains in Shawinigan Falls and Chicoutimi. Logging requirements, as reported by the pulp and paper companies in Quebec at October 7, were higher than in both 1948 or 1949 and orders for men for work in United States woods were high. Further stimulus was added by work on the Quebec North Shore and Labrador railways

which provided not only jobs in construction but in firms producing the necessary materials.

Some labour shortages have developed throughout the region, particularly among unskilled workers, but as the season advances, these shortages will disappear. However, skilled workers will be in greater demand as work on the various defence contracts get under way.



Total applications on hand at employment offices dropped by about 3,000 during September to total 42,700 at September 28. This was 1,300 less than last year at this time--the result of a 6,600 decline in male applicants but a 5,300 rise in applications from females.

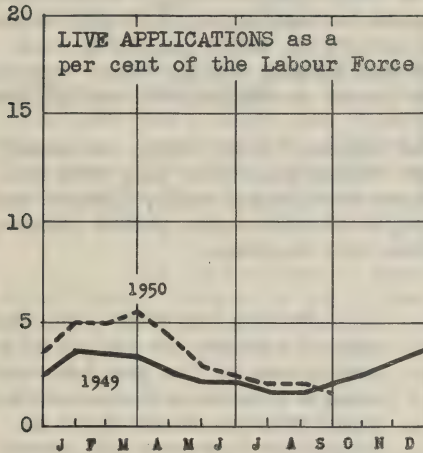
An adequate labour supply was available to harvest the better-than-average crop this year. By the middle of September, workers were moving into the State of Maine for potato picking; about 1,200 from Quebec were involved this year. Another 1,150 men left Quebec to help with the Prairie harvest. Farm workers were also being absorbed in

the woods in large numbers. It was estimated that 35,200 were already employed in the major pulp and paper companies in Quebec at October 7, and about 11,900 others were required. The greatest need for these men was in the St. Maurice and North Shore districts.

Many skilled men will be needed in SOREL to help in filling the \$12.1 million orders for guns placed by the American and Canadian governments during September and early October. In addition, employment in the shipyards will expand due to the recent order received from the federal government. During the past two years the unemployment situation in Sorel has varied from "serious" to "moderate", according to the Area Labour Market Ratings.

As in all districts in Quebec, the employment situation had decidedly improved in the EASTERN TOWNSHIPS. Increased tonnage is reported by mining industries, with some labour shortages. Employment is seasonally increasing in textiles although some firms are still working short-time. A union agreement for an 8-hour shift in the cotton textile plants in Valleyfield, has necessitated the hiring of 400 additional workers. Although heavy industries in Sherbrooke are still operating below last year's level, the situation has improved considerably. Former workers are being recalled as important orders have been received for materials for the Labrador development project.

ONTARIO



The 15 per cent decline in registrations for jobs at employment offices was a reflection of the increased employment activity in Ontario during September. Active registrations on September 28 totalled 33,900. The reductions were entirely in the male division and a marked scarcity of heavy labour developed. Considerable expansion in heavy industry, the transfer of workers to the western harvest and peak construction activity accounted for these conditions.

An early start in the seasonal expansion in some branches of manufacturing caused an 11 per cent drop in the number of job applications in TORONTO. There were substantial

gains in employment in aircraft, paint, woodworking, electrical, and industrial machinery plants, and, as an aftermath of the railway strike, storage and transportation firms required considerable temporary help. In the skilled trades, machinists, tool makers and precision grinders were scarce and there was an exceptionally heavy demand for construction labourers. This scarcity of heavy labour was quite general in the province, as new industrial projects were started and additional men were absorbed in industry. Shortages were also reported at ST. CATHARINES, KINGSTON, and OSHAWA.

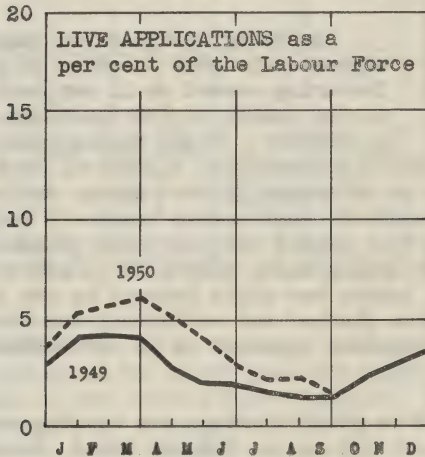
In the Niagara Peninsula, the power shortage was causing concern, resulting in a lay-off of about 150 men in NIAGARA FALLS. Attempts were made to ensure that the steel and magnesium industries in the area received adequate power supplies. Despite capacity production, the scarcity of steel, though not critical, resulted in the slow-down of some construction projects, and small lay-offs in a few places in other parts of the region.

The heavy manufacturing industries of the province showed considerable improvement. The automobile industry in WINDSOR attained a new production record during the month and hiring at other automobile manufacturing centres was steady. Re-tooling for diesel locomotive production was still going on at KINGSTON, but the plant at LONDON was in full production and steadily increasing its staff. In the lighter industries the position varied considerably. Textiles were slow in TORONTO and in the KITCHENER-WATERLOO districts, but plants at WELLAND and HAMILTON were operating at peak levels. The leather industry was considerably busier last month, with increased hiring at TRENTON, LONDON and GUELPH.

In general, the harvest has been disappointing. Frost in the BELLEVILLE area caused heavy reductions in vegetable yield with consequent loss of employment in canning factories, while excessive rain deteriorated crops at ST. CATHARINES and NIAGARA FALLS. Sugar refining, however was beginning to absorb some labour at WALLACEBURG and CHATHAM.

In the northern part of the region, though there was steady expansion in metal mining, the heaviest demand came from pulp-wood contractors. The scarcity of bush workers at KIRKLAND LAKE, TIMMINS and SUDBURY is already acute and it is expected that fewer Quebec farmers will be available this year to relieve this shortage.

PRAIRIES



During September, the Prairie region entered its period of peak employment as the grain harvest made a long-delayed beginning. Job applications, which stood at 16,548 on September 28, showed a decline of 36 per cent during the month, almost all of which was in male applications. Although most of this reduction was the result of harvest hirings, part at least could be attributed to increased activity in coal mining and some branches of manufacturing, as well as the beginning of fall fishing and the sugar beet run.

It was also apparent that the lateness of the harvest upset the rhythm of seasonal employment; activities which normally depend on the return of harvesters for their employment needs were being delayed this year. Among these were sugar refining in Winnipeg, foundry operations at Selkirk, as well as various highway construction and railway maintenance projects throughout the region and the forest operations at the Lakehead. In most areas it was impossible to satisfy these demands until after the harvest, which is not expected to finish until late October. With favourable weather, therefore, it is likely that the peak employment period will continue somewhat later this year.

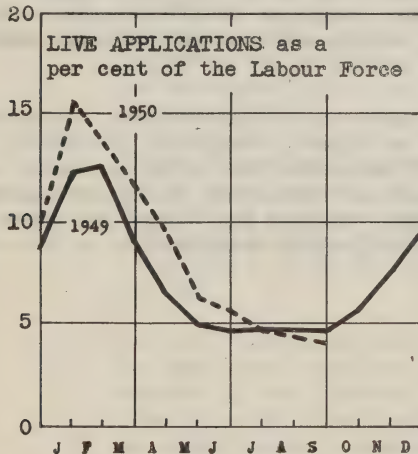
Through the joint efforts of the National Employment Service and the Provincial Farm Labour Services, (about 2,300) Eastern harvesters were received and distributed, almost equally among the three provinces. There was some shortage of farm labour in Manitoba, particularly at DAUPHIN, BRANDON, and PORTAGE LA PRAIRIE, but in other areas in the local and transient labour supply was sufficient to meet the demand. At the

month's end, the amount of the crop threshed ranged from 40 per cent in Manitoba to 85 per cent in parts of Alberta.

There was a continuous and heavy demand for bush workers in the LAKEHEAD area. Although there were 1,400 more men working in the bush than last year, additional orders for over 5,000 men were placed in Winnipeg. These will be difficult to obtain even after the harvest. In September, N.E.S. offices were unable to supply any more than the key personnel necessary to open new logging camps. In the same area, the paper, lumber and construction firms were operating at capacity.

The three thousand drop in active applications on file in WINNIPEG may be attributed to the harvest, though there was increased activity in the steel, garment and construction industries and the fall fishing and vegetable and sugar beet harvest absorbed some workers. As in most of the Prairie region, there was a scarcity of skilled construction workers which was expected to be relieved as the harvest tapered off. Farther west, employment in coal mining improved during the month, particularly at the Estevan strip mining projects. Miners were also working full time at LETHBRIDGE, RED DEER, and DRUMHELLER, but at EDMONTON and BLAIRMORE they were still on short time.

PACIFIC



The best employment situation in the past two years prevailed in the Pacific region during September, as peak activity continued in most industries, particularly in logging and lumber, agriculture and base metals. At September 28, live job applications at National Employment Service offices totalled 17,881, a drop of 2,100 from last month, and 3,000 from the same date last year, while job vacancies were more than twice those of last year. At some offices, the percentage drop in actual claims for unemployment insurance indicated a greater improvement in insurable occupations than employment as a whole. At the month's end, there was some slackening in construction and harvest-

ing, but all physically fit workers, skilled and unskilled, can be absorbed in the forest industries.

The fruit harvest was well on the way to completion at the end of the month. The United Kingdom order and increased shipments to the United States has eased the apple marketing problem considerably. In

most areas, the crop was harvested without undue difficulty. There was a scarcity of pickers at KELOWNA and VERNON but, with the cooperation of the National Employment Service and the Farm Labour Services in the Fraser Valley, the situation was expected to be in hand by the beginning of October.

The suspension of fishing on the Fraser until near the end of the month curtailed employment in the industry at VANCOUVER and NEW WESTMINSTER. And due to the high cost of materials and the completion of large projects, orders for construction workers, except the trowel trades, decreased sharply. On the other hand, sawmills were in need of skilled and semiskilled millworkers to map their expanding activities. In preparation for the fall rush, staffs were being increased in retail stores and the garment industries.

Under the influence of continued export demand, logging and allied industries on VANCOUVER ISLAND, PRINCE RUPERT and PRINCE GEORGE were working at capacity. In the former area, fire hazard caused a temporary lay-off of 450 men at NANAIMO, but heavy rain at the month's end removed the possibility of similar shut-downs in the immediate future. The most urgent need here is for all types of logging labour, for at the present rate of sawmill operations there is a possibility of log shortages this winter. On the mainland, the scarcity of forest skills remains acute despite new collective agreements with higher wages. Lumber operators at PRINCE GEORGE used newspaper advertisements to draw workers from the Prairies, but this supply will not be available until after the harvest.

The stepped-up defence program has brightened the prospects for the base metal industry. Mines at NELSON, GRANBROOK, PRINCETON, and PRINCE RUPERT were in the process of expansion with a steady demand for experienced miners. Coal miners remained relatively stable throughout the month. Mines at NANAIMO were again working full time, but there was uncertainty as to whether orders would justify continuation at this rate.

AREA LABOUR MARKET RATINGS

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to an estimate of total wage-earners. The latter is obtained by totalling the number of non-agricultural paid workers at work and unplaced applicants.

These ratios have been consolidated into four groups, denoting four generally different labour market situations. These four can be explained as follows:

Group I---Areas in which unplaced applicants amount to 25 per cent or more of the total number of wage-earners in the district. The labour market situation in such areas has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II---Areas in which unplaced applicants amount to between 15 and 24 per cent of the total number of wage earners in the district. The labour market situation in such areas is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III---Areas in which unplaced applicants amount to between 5 and 14 per cent of the total number of wage-earners in the district. The labour market situation in such areas is considered as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV---Areas in which unplaced applicants amount to less than 5 per cent of the total number of wage-earners in the district. The labour market situation in such areas has been rated as Favourable, in the sense that it is comparable to conditions during the years of 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying employment conditions based on the operations of the National Employment Service Offices. The ratings for September and October of 1950 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio Oct. 1, 1950	Group Rating		
		Oct. 1, 1950	Sept. 1, 1950	Oct. 1, 1949
<u>Population of 100,000 and over</u>				
Quebec.....	7	III	III	III
Vancouver.....	6	III	III	III
Windsor.....	5	III	IV	III
Hamilton.....	4	IV	III	IV
Winnipeg.....	4	IV	III	IV
Victoria.....	4	IV	IV	IV
Calgary.....	3	IV	III	IV
Montreal.....	3	IV	IV	IV
Ottawa.....	3	IV	IV	IV
Edmonton.....	2	IV	IV	IV
Toronto.....	2	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	13	III	III	III
Saint John.....	9	III	III	III
Halifax.....	7	III	III	III
Fort William - Port Arthur.....	4	IV	III	IV
London.....	2	IV	IV	IV
Regina.....	2	IV	IV	IV
Kitchener - Waterloo.....	1	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	12	III	III	II
Hull.....	8	III	III	III
Shawinigan Falls.....	7	III	III	III
Sherbrooke.....	7	III	III	III
Brantford.....	5	III	III	III
Three Rivers.....	4	IV	IV	III
Oshawa.....	4	IV	IV	III
Kingston.....	4	IV	IV	IV
St. Catharines.....	3	IV	IV	IV
Peterborough.....	3	IV	IV	IV
Sudbury.....	2	IV	III	IV
Sault Ste. Marie.....	2	IV	IV	IV
Saskatoon.....	2	IV	IV	IV
<u>Population of under 25,000</u>				
Valleyfield.....	13	III	III	III
Pictou - New Glasgow.....	10	III	III	III
Sorel.....	8	III	III	II
Amherst.....	6	III	III	III
Welland.....	5	III	III	III
Niagara Falls.....	2	IV	IV	IV
Trail.....	2	IV	IV	IV

CANADIAN LABOUR MARKET

DEPARTMENT OF LABOUR
ECONOMICS AND RESEARCH BRANCH

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UNIVERSITY OF TORONTO

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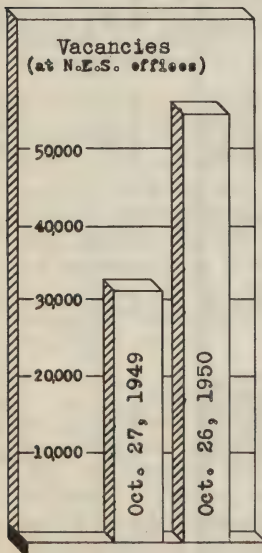
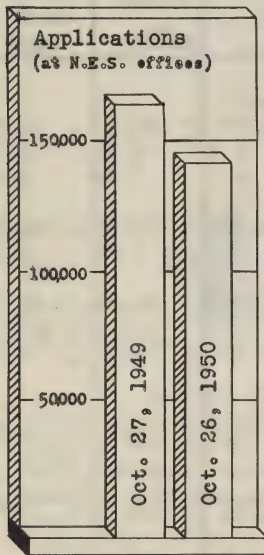
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CANADIAN LABOUR MARKET
Economics and Research Branch
Department of Labour

authorized by
Hon. Milton F. Gregg, V. C., Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information covering labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

THE CURRENT LABOUR MARKET.....



An already active Canadian economy, strengthened by high consumer demand, has been further bolstered by defence expenditures. The effect of the resulting expansion in many types of manufacturing and in base metal mining, along with the extension of logging activities this year, will counteract to some extent the unusual amount of seasonal unemployment during the coming winter months.

Nevertheless, with the harvest almost completed and construction work tapering off, an increase in the labour surplus was inevitable at this time. Applications on hand for jobs at N.E.S. offices totalled 133,000 at the beginning of October and 142,000 at the end. Placements by N.E.S. officials were being maintained at near record heights, however, and 23,000 vacancies were still to be filled by the end of October.

Many of the workers released from agriculture were finding employment in the logging industry. Although this influx has eased the acute shortages of loggers which existed at the beginning of October, a few areas, especially in northern Ontario and some of the more remote districts of Quebec, were still having considerable difficulty in finding enough experienced men.

Manufacturing was expanding in nearly every sector, but hiring, for the most part, was restricted to skilled workers. In some instances, metalworkers for example, these were in short supply. Employment continued to increase in most primary iron and steel plants, aircraft factories and in many firms manufacturing machinery and equipment. The industries catering to the consumer market were also very active.

The current employment situation varied regionally to some extent. In both the Maritime and Quebec regions, the steadiest labour demand came from the logging industries. In Ontario, almost peak activity in manufacturing dominated the labour market. Seasonal declines in employment were evident in both the Prairie and Pacific regions.

CURRENT LABOUR MARKET STATISTICS

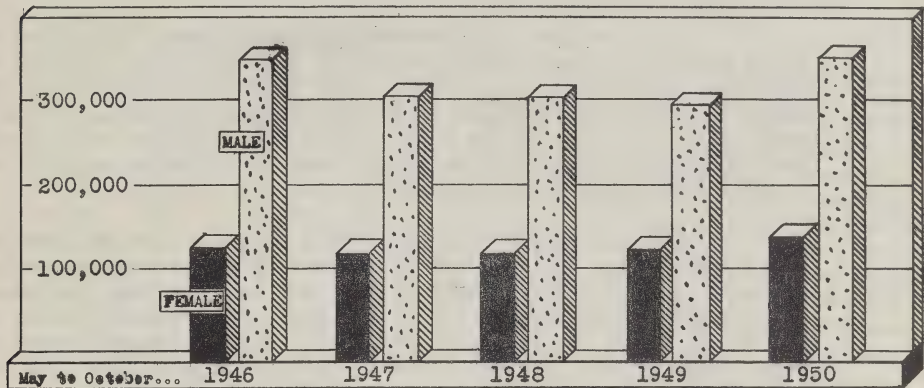
Indicator	Latest Data		Percentage Change		
	Month	Amount	From Previ- ous Month	From Same Month Last Year	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	Nov. 2	147,000	+ 10.5	- 14.7	-
Per cent of labour force.....	Nov. 2	2.8	2.5x	3.3x	-
Per cent of paid workers.....	Nov. 2	4.0	3.7x	4.8x	-
Ordinary live claimants.....	Nov. 1	90,301	+ 13.9	- 14.8	+ 35.8
Per cent of insured population.....	Nov. 1	3.3	2.9x	4.2x	-
Per cent of live applications for employment.....	Nov. 2	61.4	59.6x	61.5x	-
Amount of benefit payments.....	October	\$ 3,570,904	- 7.1	- 7.2	+ 48.9
Index of employment (June 1, 1941 = 100)..... (Eight leading industries)	Sept. 1	134.9	+ 0.7	+ 1.9	+ 0.3
Immigration.....	August	5,210	- 22.5	- 33.6	- 31.6
<u>Earnings and Income (1)</u>					
Total labour income.....	August	\$686,000,000	- 0.7	+ 4.3	+ 4.7
Average weekly salaries & wages..... (Eight leading industries)	Sept. 1	\$44.26	- 2.2	+ 2.3	+ 3.9
Average hourly wages (mfg.).....	Sept. 1	\$ 1.04	0.0	+ 6.1	+ 4.5
Average hrs. worked per week (mfg.)....	Sept. 1	41.9	- 1.4	- 1.2	+ 0.2
Average weekly wages (mfg.).....	Sept. 1	\$43.74	- 1.3	+ 4.8	+ 4.7
Cost-of-living index (Average 1935-30 = 100).....	Oct. 1	170.7	+ 0.5	+ 5.2	+ 3.1
Real weekly wages (mfg. Average 1946 = 100).....	Sept. 1	105.3	- 2.1	+ 0.1	+ 1.8
<u>Industrial Production</u>					
Total (average 1935-39 = 100).....	Sept.	200.4	+ 5.1	+ 6.3	+ 5.7
Manufacturing.....	Sept.	211.4	+ 6.1	+ 7.2	+ 5.0
Non-durables.....	Sept.	192.8	+ 4.9	+ 3.9	+ 3.5
Durables.....	Sept.	243.3	+ 7.9	+ 12.0	+ 7.3
<u>Industrial Relations</u>					
Strikes and lockouts-days lost.....	October	29,973	- 21.9	- 57.2	+ 47.3

Data in this table are preliminary figures subject to revision.

x These figures are the respective percentage for the previous month and for the same month last year.

(1) Employment and earnings in the last pay period in August were affected by the railway dispute. The amount of change resulting from this occurrence is impossible to access.

POST-WAR PLACEMENT RECORD ESTABLISHED BY N.E.S.



A high level of placement activity during October climaxed an exceptionally active six-month period at National Employment Service offices throughout the country. Placements effected during the past half year established a postwar record for the period for both men and women. With few exceptions, this was true in all regions. Employers were reporting more orders than last year, although not as many as in 1946, 1947 or 1948, and the supply of labour had increased substantially; about 10 per cent more persons were registering at NES offices than in the same period last year. Because of the new balance between labour demand and supply, employment officers have been able to fill an increasing proportion of job orders.

Clearance has not been used to the same extent as in earlier years but it continues to play an important role in matching workers to jobs. The movement of farm workers under the Dominion-Provincial Farm Labour Program was the main clearance project and some 19 movements covering approximately 15,000 workers were organized in co-operation with Employment Service offices during the year. Also almost 1,000 unemployed workers from Newfoundland have been transferred to jobs in other parts of Canada so far this year. Some entered Ontario for work on farms, railways and mines. Others were moved to Manitoba and took up work in the gold mines.

Although slightly fewer placements were made in October than in September, labour market operations were still very active. October is primarily a month of transition when summer-active industries are laying off workers and hiring is under way in industries active in the winter. Although many workers found jobs, demand did not keep pace with increased labour supplies. About 14,000 more workers were registered for employment at November 2 than four weeks earlier. This rise was, however, small compared with last year when more than double this number were added.

For the most part, workers left employment in agriculture and found work in logging, construction and manufacturing. Logging industries particularly were hiring help and will continue to do so during November. Despite thousands of hirings during the month, 18,300 jobs were still available at the beginning of November, according to employment office records. This was 1,200 more than a month earlier and 17,000 higher than a year ago for the logging occupations.

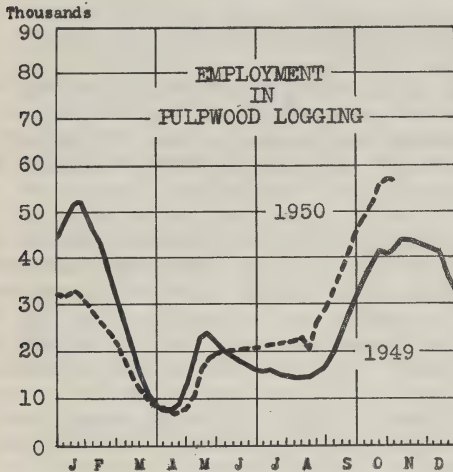
Considerable hiring was taking place in the metalworking and electrical trades during October, especially of trained and experienced workers. Almost twice as many skilled and semi-skilled jobs were available at the end of October than a year earlier; applications on hand had fallen off by 40 per cent over the year. While a seasonal decline in demand was apparent during October, steady hiring is expected to continue during the winter as a result of the defence program.

The effects of rearmament were also shown in the stepped-up activity in the professional labour market. Demand for both engineers and draughtsmen rose during the month, but requirements had to be met from a much depleted labour supply. Employers are seeking qualified men with experience, but either age, inexperience or lack of education has hindered employment officials from effectively matching available workers to the vacancies on file.

Although the mining occupations are one of the few to show more applications on file than a year earlier, the result of increased registrations in Newfoundland, the situation improved during October, when job-orders rose and applications for employment declined. Considerable activity was evident in the service industries during October as workers released from tourist resorts, most of whom were women, found work in restaurants, hotels and homes. Waitress jobs in second-class restaurants and domestic openings in homes were still difficult to fill.

The labour market for women generally, however, was one of both labour shortage and a surplus of workers. Young, single girls with adequate education and training were in demand in many occupations throughout the country. At the same time, increasing numbers of married women have been registering for jobs at employment offices. Many of these women are older--15 per cent of the women registered at the end of October were 45 years and older--and have been out of the labour market for some time. Others are young wives with family responsibilities who are seeking work to offset the high living costs. In both cases, employers are very reluctant to hire these workers. Nevertheless, despite these difficulties, female placements have been at an all-time high for the post-war period, and although applications on hand are higher than at the same date last year, the difference has been narrowing. At November 2, applications on file from women, which totalled 57,300, were 7,600 higher than a year ago; six months earlier a similar comparison showed a gain of 32,900 over the year.

LOGGING LABOUR SHORTAGES EASING IN MOST AREAS.....



Eastern Canada including Manitoba as reported by Canadian Pulp and Paper Association

The Eastern Canada logging industry, enjoying its busiest season since the peak year 1947-8, continued to add thousands of workers to its labour force during October. Cutting operations were expanding rapidly and approaching the most active period, although many operations were waiting until after the freeze-up to begin work. In British Columbia, on the other hand, the seasonal peak had passed by the end of October and camps on the higher levels were preparing to close because of weather conditions.

As farming and construction work tapered off, more men were released for the woods work thus easing the severe labour shortages which were created in September when the logging companies began seeking their men for the winter's work. Higher wage rates and unemployment insurance coverage have made the industry more attractive this year and it is reported that a good class of worker is being obtained generally. A heavy influx of farmers came from the Prairies to the Lakehead and British Columbia and there was a movement of loggers from Quebec to Northern Ontario during the month.

As much of the work is done in remote areas or by individuals, it is difficult to estimate how many loggers were at work during October. Among the member companies of the Canadian Pulp and Paper Association, the number employed increased from 45,000 at the beginning of the month to more than 57,000 at the month's end. This was about 40 per cent over the employment level of the 1949-50 season. These data are plotted in the accompanying chart, which indicates the increase in the number of jobs provided by the industry this year as well as the longer duration of this employment.

Labour demand in logging in British Columbia remained high during October although the most active season of the year was coming to an end. The industry could use more experienced men if they were available, such as riggers, fallers and buckers. The number of persons employed in woods work on the west coast has been much higher this fall than it was in 1949. Reported employment at October 1 was estimated at about 17,000, or 14 per cent above October 1, 1949.

MINING EMPLOYMENT SUSTAINED BY BASE METAL MARKET.....

Employment in mining continued to increase in the fall of 1950, with expansion in the metallic and non-metallic mining industries and a gradually declining labour force in coal mining. The most recent data show that reported employment in the industry is over the 90,000 mark, an increase of about 5 per cent over 1949 levels.

The international situation has provided added impetus to the base metals group. The demand for nickel is so great that producers have been rationing customers, although output is at a record peacetime level. Zinc also is in extremely short supply, due in large part to the United States stock-piling program. Gold mines are in a more uncertain position as marginal producers in particular have felt the squeeze between reduced income as a result of the freeing of the Canadian dollar and rising costs. Federal subsidies will be continued in 1951, but at a reduced rate. Increasing seasonal demand has helped keep employment steady in coal mines over the short term.

More skilled labour could be used by the industry were qualified men available, which in turn would provide added employment for helpers and beginners. Many mines are operating training schools for newly hired men. There is some demand for D.P. workers to be brought in, as some of this group have left the mines when their contract period is up, although this type of labour still forms an important part of the industry's labour force. With labour costs increasing, the trend towards increased use of machines, such as mechanical muckers, has been accelerated, thus reducing labour demand.

FEW HIRINGS IN AGRICULTURE AS LATE SEASON NEARLY OVER.....

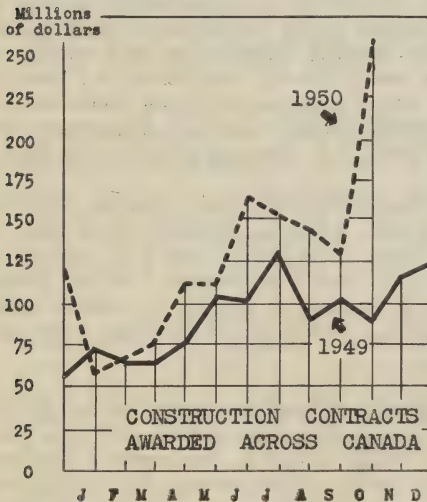
The major employment period in agriculture was drawing to a close in October and workers were beginning to move out of the industry. Harvesting of seasonal crops was being finished and additional labour requirements were low. Applicants for work in the industry were correspondingly few in number.

In general farming areas, particularly in the East, farmers were at work on their fall ploughing or harvesting root crops. In fruit-growing areas, in British Columbia, the Maritimes and southern Ontario, picking, grading and shipping or storing of the crop was being carried on. Workers who had participated in organized movements of workers for apple and potato picking, estimated at 5,000 in number, were returning to their homes and looking for other work in most cases. A large proportion of these were expected to go into bush work, together with large numbers of farmers and farm labourers in areas close to wood-cutting limits. It is reported that many farmers are making preparations to cut on their own woodlots this winter.

Rain and snow in October delayed an already late harvest in the Prairie provinces. Labour shortages were kept at a minimum as farm labour moved from farm to farm as harvest work was completed. The demand for workers was not strong, although experienced tractor operators were readily taken on. About 2,300 farm workers from Eastern Canada went out in this year's harvest excursion to assist with this crop.

Only a few farmers were seeking year-round help. Not many applicants for this work were available, particularly since wages in other industries were attracting workers. Many farmers as well, were insisting on experienced men only. There is less interest this year in D.P. labour formerly an important source of supply. Exceptions to this are some sections of British Columbia and the Lakehead area where farm labour is quite scarce. In the Prairies, wages offered winter workers ranged from \$25 to \$75 per month and with a substantial proportion of the crop fit only for stock, labour requirements may increase as farmers go in more heavily for cattle and hogs.

CONSTRUCTION WORKERS RUSHING TO COMPLETE OUTSIDE JOBS.....



The heavy amount of work on hand in the construction industry this fall has resulted in a delay in seasonal lay-offs. Towards the end of the season, there was in fact, a pre-winter flurry of work as contractors rushed to complete outside work so inside jobs could be carried on during the winter months. There was no unemployment problem of any proportion in the industry by the end of October therefore, although some lay-offs had occurred as projects were completed.

Shortages of labour and materials, which have delayed production in recent years, again became more prominent as the backlog of work increased. Qualified men in all trades were in demand and generally easily found other jobs if laid off. Unskilled labour was in better supply, although demand from farming and logging industries for this type of labour were heavy, and there was no large surplus of unskilled construction labour. Among the scarce materials, cement and steel were particularly short in all regions and caused some temporary unemployment.

An extraordinarily high number of new projects were in the contract stage during October; a record total of \$251 millions in contracts awarded during the month brought the 10 month total to \$1,260 millions. This was about 40 per cent above the 1949 total for the same period. Although many of the projects will not be started until next year, higher employment is indicated for the winter (last year some 25 per cent of the unemployed in Canada were construction workers), as well as for the 1951 season. Sixteen contracts in the million dollar class or better were let, including the Quebec North Shore and Labrador Railway which has been estimated at \$100 millions in value.

SEASONAL AND DEFENCE HIRING SPARKS MANUFACTURING EMPLOYMENT RISE.....

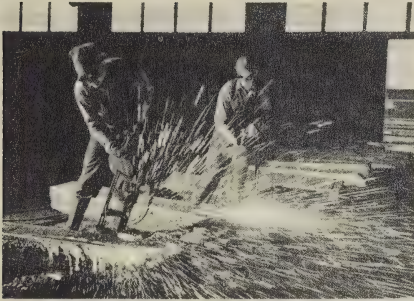
The labour market in the manufacturing industries continued strong during October as normal seasonal activity was augmented by the stimulus to the economy as a result of increased defence expenditures. Such industries as meat packing and fruit and vegetable processing were at their peak period. Most consumer goods industries, particularly furniture, electrical apparatus and textile industries were adding to their staffs. Capital investment was heavy during the month and resulted in improved employment conditions among producers' goods industries. The demand for labour from these groups offset seasonal employment declines in other industries, including sawmills, beverages and petroleum products.

Lay-offs, other than those for seasonal reasons were light during the month. In British Columbia, several shingle mills were forced to reduce operations because of a drop in sales in the U.S. market and several hundred workers were laid off. Steel shortages limited production in some plants, also resulting in temporary lay-offs. About 6,000 men were off work in automobile plants, mostly for less than three weeks, due to re-tooling for new models.

This favourable employment situation is reflected in the statistics on the operations of the National Employment Service. Although more people have been passing through National Employment Service offices, applications on file for work in occupations associated with manufacturing have been lower this year than last. This has been particularly evident in the metalworking trades where at October 26 there were 5,600 applications, as against 10,100 last year at November 3. In food and tobacco, textiles and leather products industries, the drop has been less marked, and in transportation equipment there was an increase in applicants at the above date.

STEEL SHORTAGES NOT YET SERIOUSLY

AFFECTING EMPLOYMENT



.....

Steel has once again become the critical material in Canadian industrial output. With defence requirements increasing, all steel-using firms have been competing for available supplies and steel mills have more orders than they can handle. So far, this has not had serious effects on employment but in the future it may result in shifts of

workers between industries and possibly increased numbers of temporary lay-offs.

Available steel supplies this year have dropped off slightly, due to a decline in American imports. In the first nine months of 1950, domestic production of primary iron and steel totalled 2,500,000 net tons, about 100,000 more than in the same period in 1949. Imports have fallen from 1,100,000 to 772,000 tons, and this has particularly affected the supply of sheet steels, the most critical shortage. Plates and bars are in somewhat better supply.

In terms of employment, the increasing demand for steel has had two main effects. First, employment has risen in the primary industry and may be expected to expand in other industries vital to defence preparations in the near future. On the other hand, steel shortages have limited production in the steel-using industries, particularly in manufacturing and construction. This has resulted either in lay-offs or in curtailment of employment expansion.

Employment in the primary iron and steel industry has been increasing and is expected to be about 10 per cent higher than the 1950 level by early spring. This is due to the high activity in the three basic steel producing firms as well as in two large steel processing companies, Atlas Steel and the Electro-Metallurgical company, where employment had been below normal a few months ago. An official of the Atlas Steel Co. Ltd. in Welland recently told a Department of Labour representative: "Increasing orders for stainless steel sheets have forced us to run our hot mill for three shifts, twenty-four hours a day. We are so pressed that sheets are being shipped while they are still warm."

In September, lack of steel supplies began to result in lay-offs but the number involved has been relatively light, not more than an estimated total of 1,000 workers up to the middle of November.

In many companies, however, steel shortages have limited production and staffs have been kept on only through a re-arrangement of productive facilities. As well, the scarcity of steel has prevented employment expansion in these and other cases. In Welland, Ontario, for instance, the Page-Hersey Tubes Co. Ltd. reported that operations in their seamless forge and 16-inch mills have been reduced to a single shift and that another 75 to 100 workers could be added were sufficient supplies of steel available. Hold-ups in construction work due to structural steel shortages were reported from a number of centres in all parts of the country during October, including St. John's (Newfoundland), Halifax, Hawkesbury, Stratford, Niagara Falls and Lethbridge.

In the future, the expected increase in steel requirements for defence purposes should result in a shift of employment from so-called "non-essential" steel-using industries to those which are more directly concerned with re-armament projects. In view of the expected increase in the defence sector, priority orders, for defence projects only, were issued October 13. These provided for delivery of a maximum total tonnage of 15 per cent for carbon steel and 25 per cent alloy steel of scheduled monthly production of any one firm. Canadian defence projects will have a priority on American steel production equal to that established for American projects.

The recent distribution of steel shipments gives an indication of where supplies have been going. In the month of August, for example, net domestic shipments of primary iron and steel shapes totalled 204.2 thousand tons. Half a dozen of the larger consuming industries took the major part of this total: railways, 33.1 tons; building construction, 29.5 tons; merchant trade products, 28.7 tons; containers, 24.2 tons; automotive industries, 15.4 tons; and pressing, forming and stamping plants, 13.8 tons. These six groups account for 144.7 tons, or 71 per cent of total production.

With a re-distribution of steel shipment likely, cutbacks in production and employment can be expected in the consumer durable industries and possibly in some types of construction work. Industries such as those producing cars, refrigerators and washing machines have been maintaining high employment. Recently, these industries have been taking an increasing share of steel shipments and there have been reports that some of this steel was being used for inventory production.

In certain other industries, shipments of steel have been declining in past months, but can be expected to increase in the future. These include shipbuilding, machine tools and possibly railway rolling stock. Up to the end of the first eight months, defence projects as such have taken only a fraction of production, less than 1 per cent. These industries will get an increasing share of steel supplies and any expansion in employment in the iron and steel division of manufacturing will be in this sector.

LAY-OFFS IN MANUFACTURING RELATIVELY LIGHT IN OCTOBER.....

With production and employment at a high level, non-seasonal lay-offs in manufacturing industry have continued to be relatively light. In the month of October, 1,852 were reported by local offices of the National Employment Service across Canada, compared to 1,263 in September. Heavy lay-offs from British Columbia shingle mills, and tightening steel supplies were responsible for the slight increase.

British Columbia shingle mills laid off a reported 355 workers in October. The loss of United States markets has had a serious effect on this industry. A seasonal decline in residential construction, plus the tightening of credit restrictions on housing construction, was largely responsible for the drop in American demand for shingles in October.

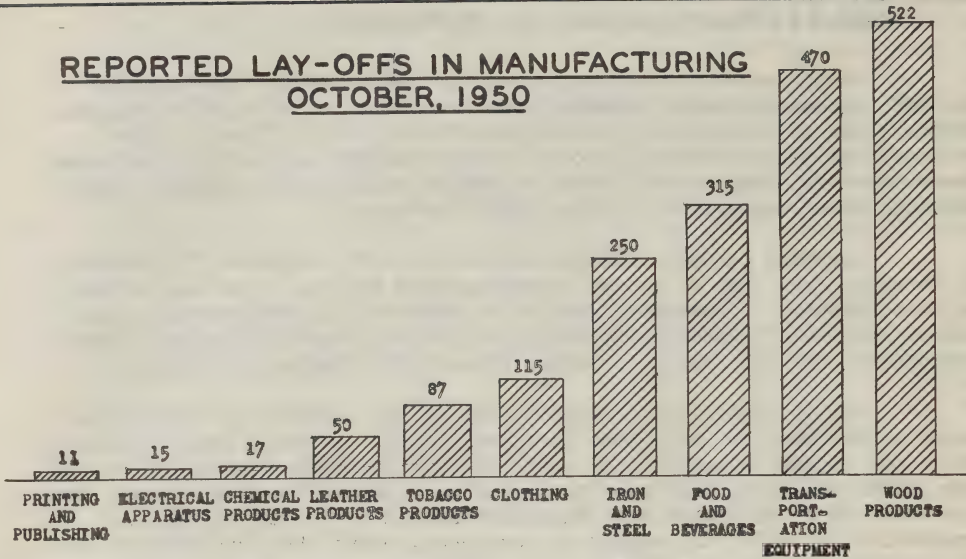
It is significant however, that so far lay-offs in British Columbia have almost entirely been from small mills producing only shingles. While the larger companies with more diversified production probably have been affected, there have been no lay-offs reported from these firms. The fact that these companies are primarily engaged in lumber and plywood production, for which the market is very good, means that any workers displaced from shingle operations have probably been absorbed in other branches of the manufacturing operation. Thus, so far the unemployment effect of the slump in shingle mills has not been too severe.

There were 310 lay-offs in October because of steel shortages. The increasing demands for arms production, a very high level of production in other manufacturing industry, and a marked increase in industrial expansion have resulted in a shortage of steel. The Canadian Car & Foundry Co. at Montreal released 50 men until February. The Ingersoll Machine & Tool Co. at Ingersoll, Ontario temporarily 90 men. The Van Wilson Equipment Co. at Hamilton (truck bodies) released 40 employees for an indefinite period. Kelvinator of Canada Ltd. at London, 65 workers for an indefinite period.

Only two industries had any appreciable lay-offs in October because of lack of orders. However, the lay-offs themselves were quite large. The Halifax Shipyards Ltd. laid off 189 labourers; the Saint John Dry Dock Co. at Saint John N.B. released 175 workers, while the Canadian Car & Foundry Co. at Ville La Salle, Quebec fired 100 men. Two confectionery firms, Ernest G. Robinson Ltd, and William Nielson Ltd. both of Toronto, released 100 and 175 workers respectively.

Not included in the table but affecting some 6,000 workers are the lay-offs in the automotive and feeder plant industries due to model changeovers. Most of these lay-offs will be of relatively short duration,

REPORTED LAY-OFFS IN MANUFACTURING OCTOBER, 1950



Reported Non-seasonal Lay-offs in Manufacturing by Industry

Industry	Reported Lay-offs (1) During October, 1950		Employment at August 1, 1950 (2)	
	Number of Plants	Number of Workers	Number	Percentage Change from Previous Year
Iron & steel products.....	5	250	157,100	+ 0.4
Transportation equipment.....	6	470	133,000	+ 0.4
Food and beverages.....	3	315	130,100	+ 3.3
Wood products.....	10	522	91,100	+ 7.1
Clothing.....	3	115	64,000	- 0.5
Electrical apparatus.....	1	15	58,700	+13.4
Printing and publishing.....	1	11	45,600	+ 5.6
Chemical products.....	1	17	44,100	+ 2.0
Leather products.....	1	50	28,800	- 7.2
Tobacco products.....	1	87	9,000	- 7.8
Other (3).....	-	-	330,900	+ 0.3
Total.....	32	1,852	1,092,400	+ 1.8

(1) As reported by National Employment Service offices.

(2) Source: Employment and Payrolls Branch, D. B. S.

(3) Employment in the six industries in which no lay-offs took place in October, 1950.



INDUSTRIAL EXPANSION NOW COMPARABLE TO EARLY POST-WAR.....

The current demand for manufactured goods is so strong that new plants are being planned or constructed at a rate comparable with the early postwar period. The increase in contracts awarded for industrial construction in recent months will assure a continued high level of industrial expansion and strong employment demands for some time to come.

In the month of October, 1950, the value of industrial contracts awarded was \$9.4 million. This brings the cumulative total for the first ten months of 1950 up to \$112.3 million, a 27 per cent increase over the same period in 1949.

Unlike 1949, when many firms were expanding but at the same time striving for more efficient production methods to reduce labour costs, an increasing proportion of the 1950 expansion projects are demanding additional workers. During the month of October, reports received from firms engaged in industrial expansion showed that no fewer than 5,000 new jobs would be created, although many will not be available until 1951.

The following excerpts were taken from reports received during the month of October by firms planning plant expansion:

Molson's Brewery Ltd. Montreal, Quebec:

"Concerning the expansion of our production facilities...this will, we expect, involve the engagement of up to 250 more employees in the next twelve months." (This company is adding two stories to the new bottling plant and is also building a new brewhouse to be completed early in 1951.)

Northlantic Fisheries Ltd., St. John's, Newfoundland:

"If our plans are carried out successfully, we will be employing approximately 300 workers....In addition, three draggers will go fishing for the plant...each dragger will have a crew of 18 men." (This company will build a new cold storage plant at Grand Bank, Newfoundland, which should be completed before January, 1952.)

McKinnon Industries Ltd., St. Catharines, Ontario:

"This (new foundry) will mean an increase in capacity of the foundry plus the use of the floor space the present foundry is now occupying....In that case, we anticipate an increase of between 500 and 700 employees." (Plant expansion in this firm accounted for 600 new workers in 1950; now a new foundry is expected to be completed in 1951).

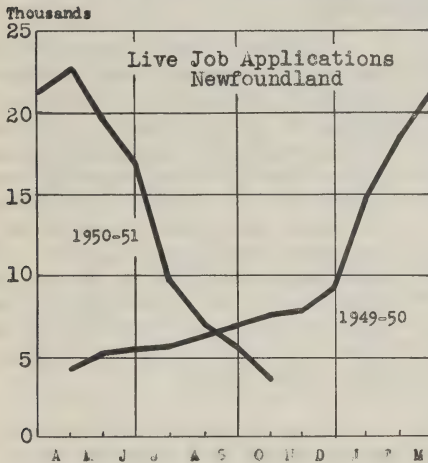
ESTIMATED INCREASE IN MANUFACTURING EMPLOYMENT
AS A RESULT OF PLANT EXPANSION (1)

- Fourth Quarter 1950 -

Area	Name of Company	Industry	Number of New Employees
<u>Atlantic</u>			
Liverpool	E. G. McCaul & Sons, Ltd.	Iron & Steel Prod.	6
<u>Quebec</u>			
Grand'Mere	Grand'Mere Hand Craft Co.	Textiles	10
Montreal	The Arborite Co. Ltd.	Chemicals	20-30
	The Carter's Ink Co. of Canada, Ltd.	Chemicals	10-20
	Monsanto (Canada) Ltd.	Chemicals	15
	Smith Kline & French Inter-American Corp.	Chemicals	25
St. Johns	St. Regis Paper Company (Canada) Ltd.	Paper Products	150
Three Rivers	Continental Paper Products Ltd.	Paper Products	50
<u>Ontario</u>			
Brockville	General Milk Products of Canada Ltd.	Food & Beverages	10
Kemptville	Moore Business Forms Ltd.	Paper Products	30-40
New Toronto	Roxalin of Canada, Ltd.	Chemicals	13
Niagara Falls	Burns Mfg. Co.	Iron & Steel Prod.	60
Prescott	Cleveland Container Canada, Limited.	Paper Products	30
Renfrew	Polyfiber, Ltd.	Chemicals	25
Sombra	Eugene Dahm & Sons (Canada) Ltd.	Chemicals	10
Toronto	Cornell Engineering Co. Ltd.	Iron & Steel Prod.	6
Guelph	Kemp Manufacturing Co. Ltd.	Iron & Steel Prod.	50-75

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

WOODS EMPLOYMENT IN NEWFOUNDLAND REDUCES LABOUR SURPLUS.....



The Newfoundland employment picture changed little during October. Demand for woods workers remained strong, while employment in construction, mining, pulp and newsprint mills, fishing and transportation continued at high levels and trade was very active. Some bushworkers were recruited for employment in northern Ontario, but applicants for this work were not numerous and were drawn almost entirely from parts of the St. John's area.

During the month, applications for jobs at offices of the National Employment Service in Newfoundland

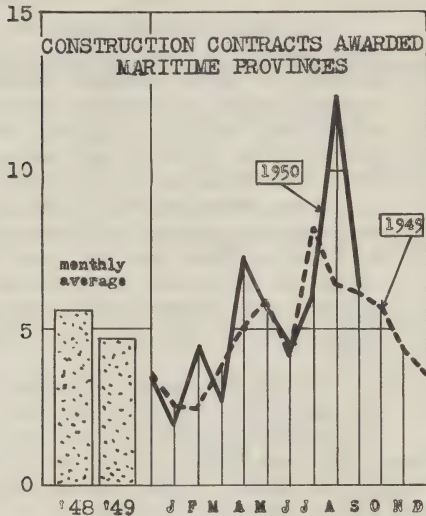
declined by a further 2,000, or 37 per cent, reaching a total of 3,500. This figure is not only over 4,000 below the total at the end of October, 1949, but the lowest since late April, 1949, when the facilities of the N.E.S., newly established in Newfoundland, were being only partially utilized by the job-seekers of the province.

A supervised program of pulpwood and railway tie cutting has begun in the ST. JOHN'S area on private woodlots within a twenty-mile radius of the City. Under the guidance of the provincial government, and with markets assured by the Anglo-Newfoundland Development Co. and the Canadian National Railway, this program will provide a worthwhile supplementary cash crop to farmers and fishermen in the area. A further source of supplementary income will be, as usual, the Christmas tree cut, for which permits covering a total of at least 170,000 trees have been granted or were under consideration at the end of the period. The footwear manufacturing firm that shut down in 1949 and re-opened earlier this year again closed during October for an indefinite period, releasing some 50 workers; most of the 150 employees of the recently-closed departmental store in St. John's were rehired when the establishment resumed operations without the predicted change of ownership and management.

While the demand for pulp cutters still exceeded the supply in the CORNER BROOK area, around GRAND FALLS the peak of woods employment was passed during the month. By the third week of October, Anglo-Newfoundland Development Co. cutting strength had declined about 150 to a total of 2,690, still a substantial volume of employment when set against the comparable 1949 total of 620.

HIRING FOR MARITIME LOGGING OFFSETS DECLINE IN AGRICULTURE AND SHIPBUILDING.....

Millions of dollars



During October further hirings for woods work and some construction projects effectively offset any increase in unemployment as a result of slackening in agriculture and other construction, leaving the number of job applications with the National Employment Service in the region virtually unchanged. The month-end total of 16,480 registrations, only 10 above that at the end of September, was over 1,500, or 8 per cent, below the comparable 1949 figure.

Steady demand for bush workers was maintained throughout most of the forest areas of the Maritimes. Shortages of manpower were not serious, and the seasonal slackening of some types of construction and of farming was expected to result in

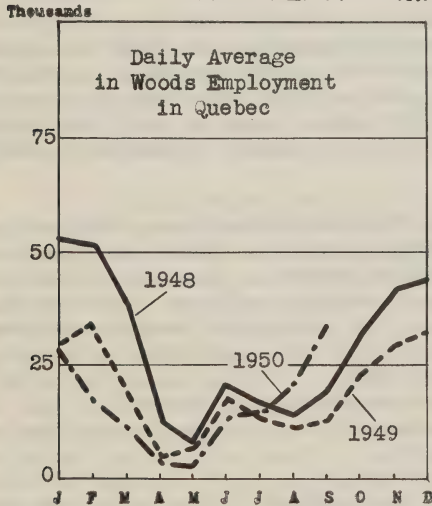
an adequate supply of woods workers. In general, however, the construction industry in the region showed little sign of slackening during the period, although hampered somewhat by material shortages; in several areas it is not expected to undergo, to the full extent, the usual winter slump. Fish landings were generally average during the month, with spotty catches in a few areas which meant short-time for processing workers; some plants were preparing to close for the winter or, in Prince Edward Island, converting to meat canning. Coal mining employment throughout the region remained steadily high.

Primary steel manufacturing maintained a high level of employment through October; but there were some temporary lay-offs from steel-using plants, especially shipyards and those engaged in the production of railway rolling stock, due to slow deliveries of materials for new contracts and the changeover from job to job. Pulp and newsprint mills continued capacity operations, in some cases making the usual seasonal lay-offs but in others, hiring additional help. While the United States market for lumber was in an uncertain state by the end of the month, due to the newly-imposed residential building restrictions in that country, the major sawmills had sufficient domestic and foreign orders on hand to ensure full-scale operations for several months. Smaller sawmills were closing down, their employees going into the woods as usual at this time of year. The new status of the Canadian dollar has not had any apparent effect, as yet, on exports of wood products to the U.S.

The completion of contracts in SAINT JOHN and the suspension of work on drydock repairs in HALIFAX were the principal factors in the instability of employment in shipbuilding in these centres during October. In the former area, 175 shipyard workers were laid off, with a further reduction of 100 expected early in November; while in the latter, over 200 were released temporarily. In both these centres, preparations were being made for the winter port season, which is expected to be considerably busier than last year. Construction in Halifax was delayed by material shortages, but some skills remained scarce; a similar situation, with shortages of structural steel in particular, prevailed in Saint John.

Seasonal lay-offs from the fishprocessing establishments resulted in an increase in available manpower in the YARMOUTH and ST. STEPHEN areas. The awarding of new contracts and the gradual expansion of employment on jobs presently under way have occasioned still further improvement in the winter employment outlook for construction in the SYDNEY and MONCTON areas. Very low potato prices have resulted in reduced income in several areas, bringing a noticeable slackening to retail trade in CHARLOTTETOWN and WOODSTOCK.

PULP CUTTING IN QUEBEC EMPLOYING 12,000 MORE WORKERS THIS YEAR --MANY MORE NEEDED.....



During October, the number of job applications in National Employment Service files in the Quebec region rose slightly. Farming activity was tapering off and the tourist season was over so many service workers were seeking alternative employment. Some construction projects were completed, some closed down for the winter and some delayed or postponed on account of material shortages. At the same time, there was an appreciable strengthening in the already strong demand for woods workers, aggravating the scarcity of this type of labour. Further movements of workers from farming and construction, following the usual seasonal practice, were expected to only partially fill the need.

The increase in job applications throughout the region brought the total at the end of October to 44,100--up 1,400, over the month but still 11 per cent below the comparable 1949 figure. Registrations by female job seekers remained substantially above the 1949 volume, totaling almost 18,000 at the end of October.

Throughout the region, manufacturing industries generally were steadily active or expanding output and employment. Seasonal reductions in employment in some industries were lighter than usual; and there were a few temporary lay-offs due to delayed shipments of steel. Mining activity and employment continued at high levels during the month, with steady demand for mining skills exceeding the supply in some areas; a few mines were hiring inexperienced help.

Shortages of textile, woodworking and electrical apparatus workers developed in the MONTREAL area.. The demand for skilled and semi-skilled workers generally, sparked by increased defence spending and the psychological effects of the Korean hostilities, approached the wartime peak. With the approach of the close of navigation, waterfront activity increased substantially.

Short time work was still further reduced in THREE RIVERS textile establishments during October, while footwear and clothing firms returned to normal operations. Similar conditions were reported from SHAWINIGAN FALLS, where, in addition, chemical manufacturing plants continued hiring for stepped-up production to fill export orders. In the VALLEYFIELD area, where primary textile mills took on some 300 additional workers during the month, the gradual cessation of work on hydro projects created a surplus of construction workers.

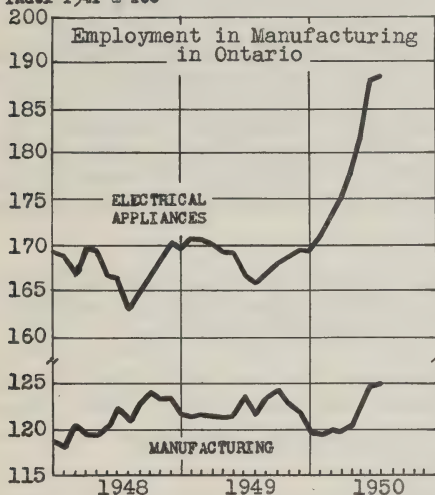
An extended cutting season may result from the shortage of bush workers and greatly increased cutting programs in the GASPE district, where cutters are also being recruited for woods operations on the St. Lawrence north shore. Farmers in some areas of the district were refraining from taking woods employment until wages rose, or until the possibility of construction employment on the Labrador Railway at Seven Islands had been fully investigated.

Pulp cutting in the LAKE ST. JOHN district was fully active during the month, and generally behind schedule. Where operators in the Jonquiere area usually have four-fifths of their contracts filled by the end of October, this year two-thirds remained unfilled at that time, indicating a longer cutting season. The shortage of bush workers was so acute around Dolbeau that woods operators have been reported to be hiring handicapped workers on a piece-work basis. Pulp and newsprint mills in the district maintained capacity operations throughout the period, and aluminum production for defence orders was resulting in plant expansion and additional hirings.

The seasonal release of farm workers did not alleviate to the extent expected the shortage of pulp cutters in the QUEBEC CITY area, where railway maintenance labour also was recruited during early October for work in northern Quebec and Ontario. Footwear manufacturing in this area slackened seasonally during the month, while there was further expansion in clothing output, despite rising clothing prices.

ONTARIO MANUFACTURING NEARING PEAK ACTIVITY AND SEEKING SKILLED WORKERS....

Index 1941 = 100



Highlights of the October employment situation in the Ontario region were the general strengthening in most manufacturing industries, continued high-level activity in all phases of construction, and further increases in the demand for pulp cutters. The usual seasonal slackening in demand for farm help and workers for some types of canning and other food processing had set in. Production and employment in mining showed slight increases, with favourable weather permitting a longer quarrying season.

As a result of these factors, the seasonal increase in registration at N.E.S. offices in the region began several weeks later than last year, and the rate of the increase,

when it began, was considerably lower than in 1949. By October 26, live applications from workers in the region were, at a total of 37,300, some 10 per cent above the total at the end of September, but still 15 per cent below the comparable 1949 figure. Female applicants remained over 2,000 more numerous than a year ago, while job opportunities for women were considerably fewer.

In the woods, pulp cutting was generally on a piece-work basis and activity continued to expand, resulting in particularly strong demand for experienced cutters. About half of the 500 bush workers sought by the National Employment Service in Newfoundland had reached employers in northern Ontario. As a result of this manpower shortage and the much greater cutting programs this year, the cutting season will probably last as long as weather permits.

Growing shortages of skilled workers for the heavy industries and aircraft production resulted from a level of manufacturing employment exceeded only at the peak of wartime activity. The National Employment Service was recruiting machinists and a variety of aircraft manufacturing skills in the United Kingdom, and other skills were becoming increasingly scarce. While this shortage had not appreciably increased hirings of female workers by the end of October, some men who had been unable to find steady work in their trades on account of age were re-hired by former employers. Pulp and newsprint mills throughout the region were fully active during October, postponing seasonal lay-offs in some cases; improvement

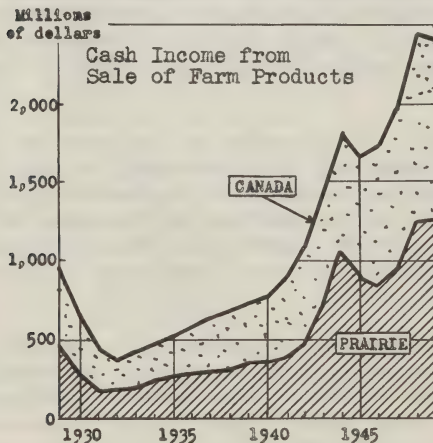
was apparent in conditions in textiles, rubber and leather manufacturing; and expansion in the chemicals industry to handle defence orders may result in additional hirings shortly. The electrical apparatus industry continued to establish new peaks of activity and employment.

In the HAMILTON area, automobile manufacturing employees were returning to work following a lay-off for model change-over; and the influx of female workers from outside areas, and particularly from the Maritimes, was adding to the existing surplus. In WINDSOR, temporary lay-offs that began toward the end of October will affect several thousand auto workers while re-tooling for new models is under way. Strikes at supplier plants in the United States have resulted in a temporary work stoppage in truck manufacturing in CHATHAM.

Improvement in shipyards activity and employment in the KINGSTON and MIDLAND areas was not expected until the lake shipping season closes or until work is begun early in 1951 on new naval contracts.

In TORONTO there were shortages of a variety of metalworking and construction skills, and the demand for construction labour, stronger than usual for this time of year, has permitted these workers to be selective in their choice of job offerings.

PRAIRIE HARVEST MOSTLY COMPLETED-- EMPLOYMENT OPPORTUNITIES DECREASING.....



With most of the harvesting completed and the slowing down of other summer activities, employment in the Prairie region moved to a lower level during October. Active registrations at N.E.S. offices totalled 19,300, an increase of 2800 from the previous month, but slightly less than a year ago. Although a substantial number of workers was absorbed into logging, a greater number was released from other industries, mainly agriculture. There were seasonal lay-offs in construction material, brewery, soft-drink and Garment plants, and the seasonal increase in hirings at packing plants and flour mills was

less than normal. The pre-winter flurry to finish outside work, particularly on the larger buildings, maintained the demand for construction labour throughout the month.

Rain and snow continued to hamper the grain harvest in Manitoba

and the northern parts of Saskatchewan and Alberta. At the end of the month, the proportion of the crop still standing in the field varied from 15 per cent at Portage La Prairie to about fifty per cent at North Battleford and Edmonton. Demand for farm workers was sporadic and consequently many left for logging employment, forcing farmers in many areas to complete the work by helping each other. In general, the loss in farm income resulting from low grades of wheat has been offset by higher yields, but two immediate effects of the frosted wheat were noticeable. Because of its lack of milling qualities, employment at flour mills was lower than normal, and because farmers were finding it more profitable to feed stock than sell the poorest wheat, receipts of cattle and hogs, and consequently hirings, at packing plants were slow for the time of year.

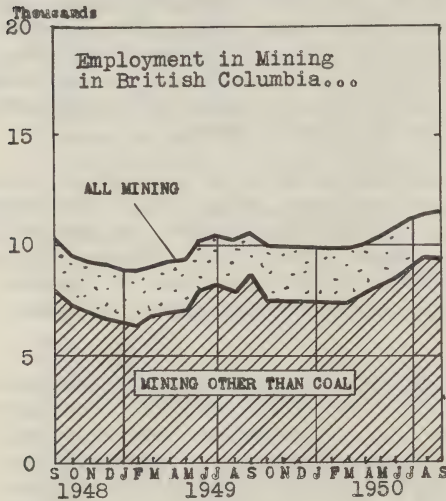
Highway construction was coming to a close in some areas, but the high level of building construction continued, with labour scarcities created by the rush to close buildings against the weather. A decline in residential construction has been more than offset by an increase in industrial and commercial building. The inside work on these is expected to provide more employment this winter, in the skilled trades at least, than in previous years.

At the LAKEHEAD, increased activity in shipbuilding, construction and forestry was absorbing nearly all available workers. Contracts totalling \$5 million for an oil tanker and a minesweeper kept shipyards busy, with a scarcity of welders developing. Because of interruptions in the prairie harvest, the number of workers reporting for woods work was greater than anticipated. At the month's end, logging camps rapidly approached full staffs, with the number of vacancies reduced to 1200 from 3000 a month earlier. It was fully expected that the large pulp-cutting program, resulting from the sustained demand for new print, would be completed without serious difficulty.

INTENSIVE DEMAND FOR LUMBER METALS SUSTAINING EMPLOYMENT IN THE PACIFIC REGION.....

Active registrations in the Pacific region began their yearly rise during October. The total of 21,000 on October 26 was over 3,000 greater than that of the previous month. A considerable part of this increase was the result of the closing down of shingle mills and a strike in the Vancouver shipyards, but a steady rise during the early part of the month reflected the seasonal decline in agriculture, fishing, and some phases of construction, as well as the usual influx of workers from the Prairies. However, the continuing full operation of sawmills and logging camps, and a considerable expansion in metal mining have made the unemployment situation better than it was a year ago. In comparison with the same date a year ago, registrations were lower by 12 per cent, but were considerably above the 1948 and 1947 totals.

The most notable feature of the region from the employment viewpoint has been the upsurge in base-metal mining. With greatly increased prices, and a steady demand guaranteed by the defence programs of Canada and the United States, both old and new sources have been re-examined. At PRINCE RUPERT, three mines were expanding their operations, one new mine was started, and two development programs were under way,



while similar activities took place at CRANBROOK, NELSON, CHILLIWACK and PRINCETON. The importance of these developments lies not so much in the quantity of employment, which has not been great so far, but in the fact that they tend to counteract the extreme employment fluctuation in the region.

An increase of 190 million board feet during the month brought the total lumber orders from the British market to a level similar to the peak of the immediate post-war years. As a result, production in mills on VANCOUVER ISLAND and in PRINCE RUPERT and PRINCE GEORGE continued on a double-shift basis. The acute labour scarcity at Prince George ended abruptly in the third

week of October with a substantial increase in transient labour from the Prairies. Though there was no general decline in logging operations during the month, wet roads and snow at the higher levels caused a reduction in operations in some places.

In the larger centres, job opportunities for general labour were decreasing. In VANCOUVER, the slight increase in the activities of foundries, paper and printing firms and the needle trades was not enough to offset declines elsewhere; both harvesting and salmon fishing were completed, construction was levelling off and shingle mills were closing because of poor markets. The credit restrictions on housing in the United States have resulted in a sharp drop in shingle prices and the majority of shingle mills in Vancouver and New Westminster either shut down completely or were operating intermittently until the market settled. However, the uncertainty in the United States market has had little effect on the remainder of the forest industry in the area.

The general situation in VICTORIA was similar to the one in Vancouver. Shipyards were busy on new naval contracts, but there was a continued drop in construction. Despite a shortage of living accommodation, there was a marked decline in new residential building, attributed to the high cost of materials and labour.

LABOUR MARKET

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FEATURE ARTICLE.....

Labour Shortages
and the Defence
Program.

Volume 7

Number 12

CANADIAN LABOUR MARKET

Economics & Research Branch

Department of Labour

Hon. Milton F. Gregg, V.C.,
Minister

Arthur MacNamara, C.M.G.,
L.L.D., Deputy Minister

This is a confidential report on current labour market conditions for the use of government officials only. Public information covering labour matters is provided in the Labour Gazette, the official publication of the Department of Labour.

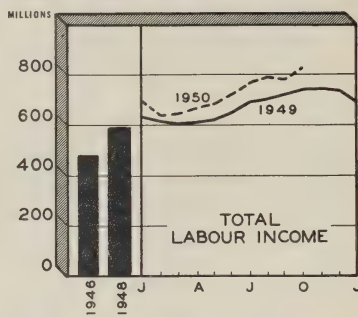
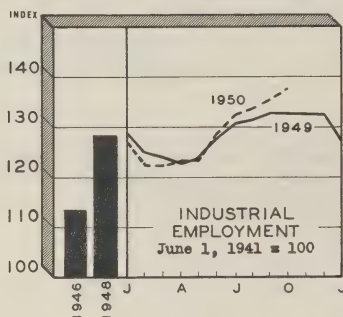
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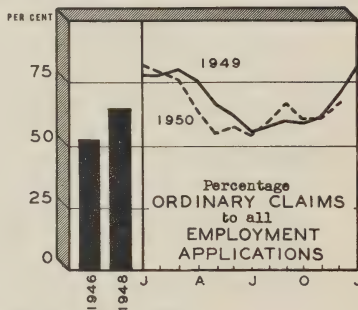
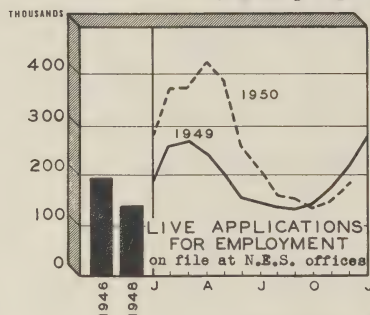
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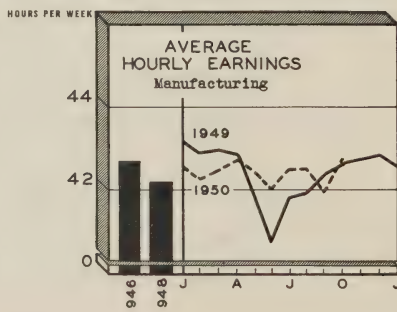
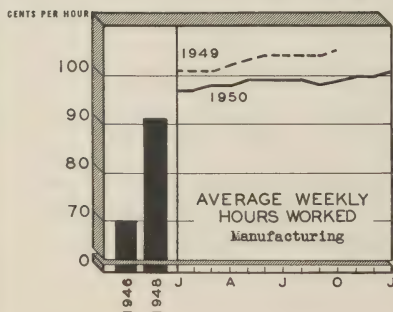
LABOUR



MARKET



TRENDS



THE CURRENT LABOUR MARKET...

In recent weeks, thousands of unskilled and semi-skilled workers have been released from their seasonal jobs in construction, transportation and fishing. Although this increase in the seasonal labour surplus will not ease the current shortage of highly skilled men in the metal trades, many of those coming on to the labour market are suitable for some of the semi-skilled jobs now available in manufacturing. Other workers from the seasonal industries are still finding jobs in logging, although the demand for woods workers is slowing down as camps are being filled in most logging districts.

On November 30, applications for jobs on file at National Employment Service offices totalled 186,300, and increase of 22,000 over the total on November 16. The total number of applications was 34,500 below that of last year. This improvement over last year's employment situation was general in most sections of the country, and was particularly noticeable in Newfoundland which had faced a relatively serious unemployment situation last winter.

The shortages of skilled labour were most apparent in firms manufacturing machinery and equipment, and those producing consumer durable goods such as household appliances. Aircraft factories and other firms with defence contracts were also seeking skilled labour of the same type as these industries, and tool and die makers, machinists, welders and moulders continued in short supply. The demand for semi-skilled men with experience in the metal trades remained strong, and aircraft factories were engaged in a country-wide search for workers with some previous experience in this type of work.

With a few exceptions, the scarcity of skilled metal tradesmen, and of experienced semi-skilled workers who can meet the relatively high employers' specifications is not likely to be solved to any great extent by drawing on the seasonal labour surplus. There is very little sign of a relaxation of high standards required for workers being hired, and not much indication of willingness to train new men to the job. There has been some indication, however, that skilled men in the older age brackets are finding more employment opportunities. In addition, some of those now employed in the seasonal industries who have had wartime experience in aircraft, for example, may be qualified for jobs in the expanding aircraft industry.

Although shortages of key materials such as steel, aluminum and base metals have resulted only in sporadic layoffs in manufacturing industries, the uncertainty about future supplies is hampering plans for expansion of employment and production. In the construction industry, some special slackening was evident, but shortages of structural steel and construction materials have resulted in additional layoffs.

CURRENT LABOUR MARKET STATISTICS

	Latest Data		Percentage Change		
	Month	Amount	From Previ- ous Month	From Same Month Last Yr.	To Date From Same Period Last Year
<u>Manpower</u>					
Registered for work, N.E.S.....	Nov. 30	186,306	+26.7	-15.6	-
Per cent of labour force.....	Nov. 30	3.5	2.8x	4.2x	-
Per cent of paid workers.....	Nov. 30	5.1	4.0x	6.2x	-
Ordinary live Claimants.....	Dec. 1	124,794	+38.2	-18.1	+30.5
Per cent of insured population...	Dec. 1	4.5	3.2x	6.0x	-
Per cent of live applications for employment.....	Nov. 30	67.0	61.4x	69.0x	-
Amount of benefit payments (000)...	November	\$ 4,184	+17.2	-17.1	+43.6
Index of employment (June 1, 1941 = 100).....	Oct. 1	137.1	+ 1.5	+ 3.5	+ 0.6
(Eight leading industries)					
Immigration.....	Sept.	5,030	- 3.5	+20.5	-28.8
<u>Earnings and Income</u>					
Total labour income (000,000).....	Sept.	\$716	+ 4.4	+ 8.2	+ 5.1
Average weekly salaries & wages.... (Eight leading industries)	Oct. 1	\$ 46.00	+ 4.0	+ 5.6	+ 4.0
Average hourly wages (mfg.).....	Oct. 1	\$1.05	+ 0.9	+ 6.0	+ 4.6
Average hrs. worked per week (mfg.)	Oct. 1	42.8	+ 2.1	+ 0.2	+ 0.2
Average weekly wages (mfg.).....	Oct. 1	\$ 45.07	+ 3.0	+ 6.3	+ 4.9
Cost-of-living index (Average 1935-39 = 100).....	Nov. 1	170.7	0.0	+ 5.6	+ 3.3
Real weekly wages (mfg. Average 1946 = 100).....	Oct. 1	108.0	+ 2.6	+ 1.0	+ 1.7
<u>Industrial Production</u>					
Total (Average 1935-39 = 100)....	October	207.5	+ 1.5	+11.6	+ 6.5
Manufacturing.....	October	218.6	+ 2.0	+12.6	+ 5.9
Non-durables.....	October	196.9	+ 1.9	+ 8.2	+ 4.0
Durables.....	October	255.9	+ 2.2	+18.9	+ 8.7
<u>Industrial Relations</u>					
Strikes and lockouts-days lost.....	November	49,125	+63.9	-63.8	+32.8

Data in this table are preliminary figures subject to revision.

(x) These figures are the respective percentage for the previous month and for the same month last year.

LABOUR SHORTAGES AND THE

DEFENCE PROGRAM



Since the outbreak of the Korean war and the decision of the Canadian government to increase defence expenditures, emphasis in the labour market has shifted from unemployment to labour shortages. Although there has been the usual seasonal increase in the number of persons seeking work this fall, labour shortages in many industries and areas have focussed attention on the problem of

whether our manpower resources are adequate to meet the demands of the new defence projects at a time of generally high levels of employment.

Up to the present, there have only been shortages of particular skills in certain industries and areas, rather than a general shortage of manpower, such as existed at the height of the war. At that time, manpower was a scarce commodity in relation to the almost limitless demands of war on the resources of the country. The objectives of the wartime manpower policy were, first of all, to extend the supply by bringing as many as possible into the labour force, and secondly, by manpower controls, to distribute the available supplies between the different industries on a basis of priorities. This was essentially a system of rationing manpower as between the armed services, war industries, the basic primary industries of agriculture logging and mining, and essential civilian industries.

The present defence preparations are of a much more limited nature. Unless the international situation changes for the worse, so that Canada's military commitments have to be greatly increased, defence spending over the next year will be about \$1 billion. This is in effect a decision to devote about 7 per cent of the present national income to military needs, compared with about 45 per cent at the height of World War II. To date, about \$650 million of this appropriation has been or is being let out in the form of contracts, and the rest is to be spread over the next year. Almost half of this \$650 million is in the form of aircraft orders; about \$100 million is for construction projects, and the remainder is in the form of smaller contracts for shipyards, foodstuffs, textiles, footwear, chemicals, electronic equipment and armaments.

Compared with the size of the national income, and with the gross value of production in most of these industries directly affected, the present defence orders and those now scheduled for next year would not seem to place an excessive burden on the economy generally, or on the supply of labour. But the defence orders cannot be considered in isolation. The nature of the pressures on available manpower supplies depends on the new demand for labour created by these orders in relation to non-defence demand, both domestic and export.

Defence and Civilian Demand

Both export and domestic demand have been affected by the defence preparations. The realization that defence expenditures will continue on a much larger scale than is normal in peacetime, both in Canada and in all the Atlantic Pact nations, has proved a very powerful stimulus to production and employment in many industries. This is true not only of manufacturing, but also of mining, logging, and agriculture, though the relationship between defence and increased production in some of the primary industries is not so direct.

With some defence orders placed, and more scheduled, the past few months have witnessed a definite trend towards buying in anticipation of future shortages, particularly of those goods which are manufactured from the same raw materials as armaments. For those who are planning on buying a new house, the incentive to purchase household appliances before supplies run short is particularly strong. As well, the expectation of a continuous rise in price levels has been important in consumer decisions to purchase goods now instead of in the future. Demand for consumer durable goods, such as automobiles, and electrical appliances of all kinds, has increased markedly in the last few months, and high levels of income and rising wages and earnings have helped to sustain it.

Anticipated future shortages, and the expectation of rising prices have been important considerations influencing manufacturers' decisions, especially the decisions to expand plant facilities. In the past month or two there has been a decided increase in the amount of new capital investment in manufacturing industries, much of which has been concentrated in the heavy metal firms. This contrasts with the situation last year when the volume of investment was falling off in manufacturing industries.

Prices of such raw materials as tin, rubber, base metals and pulp and paper have already risen on world markets as a result of increased defence preparations in many countries. The demand for base metals is especially strong, because of their importance in the manufacturing of steel and the production of such defence equipment as radar and electronic devices. The resulting pressure on the base metal mining and smelting industry in Canada has led to high levels of pro-

duction and employment in the industry in Northern Ontario and Quebec, and some considerable expansion in base metal mining in British Columbia. Employment in the pulpwood logging industry has also increased markedly in answer to the strong demand and rising prices for pulp and paper products.

Although agriculture, our major primary industry, has not yet felt the effects of defence preparations, there are indications of an indirect influence which will become more apparent in 1951. It has just been announced that Britain will double its food purchases from Canada next year. This has been made possible by Britain's increased supplies of dollars. In addition to the devaluation of the pound, and the restrictions on imports from dollar areas, one of the important reasons for the improved dollar supplies of the Sterling Area has been the heavy sales of tin and rubber to the United States as a result of the American stock-piling policy.

The changed international political situation, operating through increased defence preparations in Canada, has thus created three areas of pressure on manpower and material supplies in the economy—the defence industries themselves, the heavy manufacturing industries, and the primary industries. The labour shortages created cannot be dealt with in terms of aggregates, but must be related to the special demands each section places on the particular type of manpower immediately available to meet the need.

The Labour Shortages in Manufacturing

Generally speaking, the manufacture of the consumer durable and producer goods which are in strong demand at this time requires similar materials and similar skills to those required by defence production. This is especially true of aircraft, armaments and to a lesser extent, the shipbuilding industry. Together these defence projects and consumer and producer durable goods industries have created a strong demand for skilled workers in the metal trades, and for semi-skilled men experienced in machine tool and metal working. Machinists, tool and die makers, fitters, and welders and machine tool operators have been the skills most in demand in recent months.

The table on the following page indicates the occupations for which the greatest shortage exists, and the provinces in which most of these shortages have appeared. Most of them exist in the two highly industrialized provinces of Ontario and Quebec.

When the Korean outbreak began at the end of June, and shortly thereafter the decision was taken to increase defence preparations in both Canada and the United States, there was a certain amount of "surplus" labour of this type readily available. Although employment generally remained high throughout 1949-50, there had been a heavy load

SKILLED WORKERS IN SHORT SUPPLY

Provinces of Greatest Shortages

Occupation	N.B.	Que.	Ont.	Man.	Alta.	B.C.
Engineers		x	x			x
Draughtsmen		x	x			
Sewing Machine Ops.(fem.)		x	x		x	
Woodworkers		x	x			x
Upholsterers		x	x			
Leather Workers (fem.)		x		x		
Machinists & Toolmakers		x	x			
Sheet Metal Workers		x	x		x	x
Foundry Workers			x			
Electricians			x			
Aircraft Workers			x			
Miners		x	x			x
Coal Miners					x	x
Bricklayers	x	x	x			
Plasterers		x	x			
Plumbers & Steam Fitters			x			
Stationary Engineers			x			
Millwrights			x			
Auto Mechanics			x	x		

of seasonal unemployment in the winter. While the majority of the workers who were without jobs had come from the seasonal industries of construction, agriculture and logging, there were a substantial number who had been released from firms such as those producing machine tools and railway equipment. Industries such as these had reduced their staffs because of the lack of export orders and the slowing down of capital investment in manufacturing industries.

This reserve of suitable workers was not very large, however, and a few months after the Korean outbreak, there were reports of labour shortages in the sense that employers were finding difficulty in obtaining applicants who could come up to their specifications of skill, training and experience. The scarcity of highly skilled men now is especially severe, and it is a problem not easy to solve because of the length of the training involved in bringing new men into the skilled group. The largest reserve of this type of labour remaining is among older workers groups, and there has been evidence of more willingness on the part of employers to accept older men with the necessary skills.

There is little evidence as yet of a willingness on the part of manufacturers generally to hire men without suitable qualifications and train them on the job. For this reason, the manufacturing industries are not yet providing many job openings for men being released from the

seasonal industries of construction, transportation and agriculture. As a result, a considerable increase in seasonal unemployment has occurred along with strong demand for workers of suitable skill and experience.

Labour Shortages in the Future

In analyzing the trends over the next few months, it is assumed that the international situation will not deteriorate further, and that present government commitments for defence projects will not be increased. Should the international political situation become more serious, of course, the whole manpower and materials situation would be completely altered, and the possibility of overall manpower controls would likely have to be considered, in order to make sure that the necessary labour was available for defence industries and for the armed forces. In view of the limited nature of the present defence commitments, the current government policy is to avoid direct controls as far as possible.

Given these assumptions, the question is whether the labour needs of the present and scheduled defence projects can be met, and to what extent this will be done by draining manpower from the non-defence industries.

At the present time, the shortage of basic materials, especially steel, may mean some redistribution of labour between defence industries and consumer goods industries. With the priorities system for basic materials set up in the United States, in which Canadian defence projects have been included, and a limited system of steel rationing coming into effect in Canada after January first, there will be a diversion of these supplies to military production. This may curtail production in the consumer durable goods industries, and release employees for work on defence projects.

At the same time, there is a possibility that the recent restrictions on instalment buying may ease the pressure of consumer demand on the metal working industries, since a considerable proportion of consumer durables are purchased on a time basis. Against this must be balanced the strong motives for forward buying in a period of rising prices. It should be remembered also that instalment buying is only one form of consumer credit, and restrictions here must be measured against the other forms of credit readily available to the general public.

One of the most effective ways of diverting manpower to defence projects is the reconversion of plants to production of war materials. So far, this has not taken place in Canada, and it is unlikely in a period of limited defence preparations. Up to the present, defence orders have been met by the utilization of idle facilities, or by plant expansion.

Both defence and civilian industries may be able to draw labour from the primary industries and to some extent, the service industries. This depends in part on the attraction of the defence industries for men with wartime experience in similar work, and in part on the willingness of employers to train into semi-skilled jobs some of the relatively unskilled men who form a considerable proportion of the unemployed at the present time.

Since the end of the war, there has been a redistribution of the working force; manufacturing generally has lost workers to trade, the service industry, construction and communications. It is possible that some of these now attached to these industries will have experience suitable to the present defence projects. The aircraft industry is a case in point. The shipbuilding industry may also be able to attract workers, both skilled and unskilled, from the construction industry.

If training programs were instituted on any large scale, it would be possible to employ persons who in the postwar have been attached to seasonal industries, and who are usually unemployed in the winter months. If labour shortages increased to the point where bottlenecks in present production schedules were occurring, or where expansion plans for the future were seriously hampered, then producers would have a definite incentive to provide some sort of training for new employees.

While there is yet little evidence that shortages of labour are causing any but sporadic layoffs, there are some signs that shortages of labour are limiting factors in the expansion plans for the future. To the extent that this is true the New Year will probably see the attempt to bring inexperienced workers into manufacturing industries. The incentive will probably be stronger in the defence plants themselves, where the priorities in steel will give an advantage in the expansion of production.

The Position of the Construction and the Primary Industries

Both the attraction of workers with experience on defence projects during the war and the training of inexperienced workers will have the effect of draining workers away from construction and the primary industries. If both these factors should begin to operate on a large scale over the coming months there may be a shortage of labour in these industries in the spring and summer. This will show up most acutely in the early fall, when the height of seasonal activity brings the peak load of demand on manpower resources. By that time, the demand for the products of Canadian primary industries is likely to be particularly strong.

At the same time, the demand for the products of Canadian primary industries is likely to be heavy. This is particularly true of base metals and agriculture. The demand for base metals will be particularly urgent, since they are essential to defence.

Earlier this fall there was some indication of the shortage of labour in the logging industry at the beginning of the cutting season. Since this was largely because of the late harvest which held workers on the farms a month later than usual, the shortage of loggers disappeared except in a few areas by the end of December, once farmers began to move into the industry in large numbers. If some of these seasonal workers are drained away into the manufacturing industries by the end of the year, the shortage next year may not be so easily solved.

A factor which may accelerate the drain on the primary industries is the higher wage rates, shorter hours and better working conditions which generally prevail in manufacturing industries. The spread in rates between manufacturing and mining is not so great, but in this case the attraction of the life in the larger cities operates to draw men from the remote mining centres. In spite of the increase in agricultural and logging wages since the end of the war, a considerable spread between them and manufacturing wages exists, and this tends to become important when a large number of job opportunities in manufacturing industries gives the worker normally attached to the primary industries a choice of alternative employment. During the war, this condition existed, and in 1942 and 1943, employment in logging and agriculture actually declined.

Some General Considerations

No question of redistribution of the working force can be considered apart from the problem of labour mobility, which has been decreased by two main factors, the housing shortage and the extension of seniority rights and pension plans in industry. This consideration applies more to the working force in manufacturing and service industries, than to those who are accustomed to moving from one primary industry to another during the year. Single men without family obligations make up the largest proportion of this latter group. The lack of housing facilities could deter workers from moving out of a non-defence plant, if the change involved moving to another city, even though higher wage rates might be offered in the factory producing war supplies. Pension plans and seniority rights have given workers a vested interest in remaining on their present jobs, even though wage rates and working conditions in a neighbouring defence plant may be more attractive.

In addition to the question of redistributing the working force, there is also the question of increasing the supply of labour available. One possibility is through the lengthening of the working week, especially in manufacturing industries. Since the war there has been a downward trend in average hours of work, and in the past year provision for a 40-hour standard work week has been written into many collective agreements. The extension in the working week in those firms with collective agreements requiring penalty rates for overtime would mean a considerable increase in the cost of production, which manufacturers might be anxious to avoid at the present time.

It is possible also that more women will be coming into the labour market as a result of the difficulty of maintaining family living standards in face of rising prices. Even before the defence program began to provide a stimulus to the economy, the number of married women seeking work was increasing, and this is likely to continue if living costs rise still further. Both defence projects and private industry will be able to provide jobs for many of these women.

In addition to the usual increase in the labour force, immigration provides an important additional supply of labour, especially for the primary industries. In recent months, both the logging and base metal mining industries have requested Displaced Persons to help meet their labour shortage. Since June, about 2,500 Displaced Persons (males) have come to Canada, mostly for jobs in mining, agriculture and logging, and more are expected. With shortages anticipated in the next year in all three primary industries, the immigration of Displaced Persons is to be speeded up. In addition, the immigration of persons other than from DP camps has been encouraged, by the relaxation of regulations governing entry into the country. Private persons may now sponsor friends as well as close relatives, and the amount of money which can be brought over at one time has been increased. This may serve to attract more skilled labour, especially from the British Isles.

Summary and Conclusion

The defence program at present contemplated has been a stimulus to the whole economy. In addition to the requirements of the armed forces, the defence preparations have placed pressure on available manpower in three areas--the defence industries, the firms manufacturing consumer durables and producers equipment, and on the primary industries. This has resulted in shortages of highly skilled men, especially in the metal trades, and a scarcity of semi-skilled men with sufficient qualifications to measure up to employers' relatively high standards.

The diversion of basic materials such as steel and base metals to defence projects, will make more manpower available for defence industries. At the same time, both defence and non-defence manufacturing industries will draw some manpower from the primary industries, particularly if more firms decide to put into effect programs for training semi-skilled workers. This, together with the attraction of higher wage rates and better working conditions, is expected to create a shortage of labour in the primary industries in 1951, particularly in view of the expected heavy demand for base metals, forest and agricultural products.

Should the international situation become more serious, and Canadian defence commitments be increased to any considerable extent, the whole economic situation would be changed, so that a general manpower shortage would exist rather than particular scarcities of certain skills. The recently announced increase in the ceiling for the armed forces to 100,000 already adds significantly to the existing pressure on skilled and semi-skilled manpower resources.

HIGHLIGHTS OF THE DOMINION-PROVINCIAL FARM LABOUR CONFERENCE NOVEMBER 27 AND 28, 1950

The eighth annual Dominion-Provincial Farm Labour Conference, held in Ottawa on November 27 and 28, was attended by representatives of the various provincial and federal agencies engaged in the recruitment and placement of farm labour in Canada. Delegates were present from every province, except Newfoundland, and from the Federal Department of Labour and the National Employment Service. The United Kingdom and United States governments and the International Refugee Organization were also represented.

Dependent on the approval of the various provincial governments, the Dominion-Provincial Farm Labour program will be carried out again in 1951. Plans for the coming year are based on the assumption that there will be shortages of farm labour, probably more extensive than in 1949 or 1950, and that the some organization of the farm labour market and planned immigration of farm labour is necessary. The agreements between the provinces and the Federal Government will therefore be renewed to make the best possible use of available manpower.

On the demand side, it is anticipated that the agricultural industry will require about the same number of hired workers in 1951 as it did in the previous year. There may be some change in the nature of this demand, for example, as a result of the indicated increase in live-stock production due to present large supplies of feed grain. A noticeable drop in interest among farmers in D.P. labour was apparent last year but no difficulty is foreseen in placing experienced men. The trend towards greater mechanization continues but this is not likely to have an appreciable effect on over-all labour requirements.

There is, however, no large domestic reservoir of manpower to draw upon. In 1951, in addition to the strong demand for workers in non-agricultural industries, there will be the effect of the increased defence program. In addition, such continuing factors as wage differentials between rural and urban industry, farm working conditions, and social security measures in relation to other industries, tend to restrict the supply.

To meet the demand and to recoup the loss of manpower from agriculture, an additional 15,000 to 20,000 workers must be made available. Some of these will be provided through the placement service of the N.E.S. and through the provincial agencies which help to meet local labour demands. It is expected, however, that from 10,000 to 15,000 immigrants will be needed in addition.

Erratum:

CANADIAN LABOUR MARKET, Vol. 7, No. 12, Page 12, Paragraph 5, last sentence should read: The recently announced increase in the ceiling for the armed forces above the existing 69,000 "as desired" may add significantly to the existing pressure on skilled and semi-skilled manpower resources.

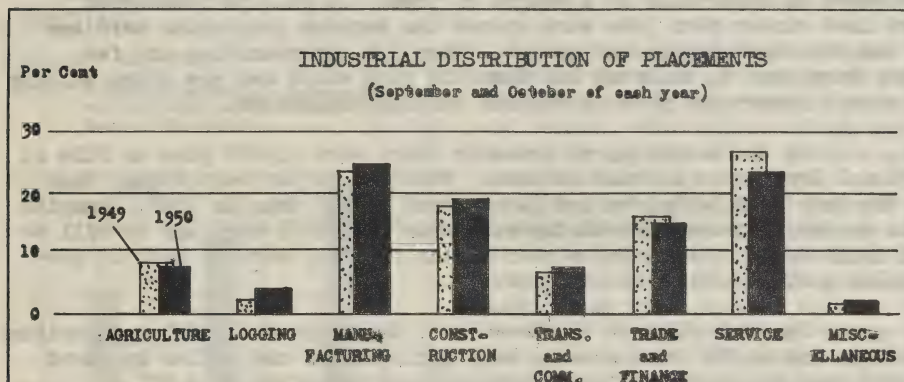
It is expected that Displaced Persons will provide a large proportion of the immigrant farm labour in 1951. Many experienced D.P. farm labourers, now working on German farms, are available for agricultural work here and can be brought in by arrangement with the International Refugee Organization.

Other possible sources of immigration are British, Dutch, Italian and possibly German nationals. Although the Canadian government is endeavouring to recruit farm workers in the United Kingdom, it is not expected that there will be any large movement of workers of this type. The reasons for this are to be found in the general labour shortage in the United Kingdom; the improved economic position of the farm labourer there; and immigration regulations which make it difficult for family groups to come over. Dutch farmers, who have proven very satisfactory in the past, are again expected in large numbers, but the Dominion-Provincial Conference agencies are not directly concerned with this movement. Any movement of Italian workers will be small; in 1950 about 360 were brought in for work on Quebec farms.

In its review of the work of the past year, the Conference noted that the supply of farm labour was not as large as anticipated as winter labour surpluses disappeared with the strong upsurge in economic activity in the last half of the year. The extra labour requirements for harvest work were met satisfactorily in the main, however, although extraordinary measures were necessary in some cases.

The principal international and interprovincial movements of farm labour which have been carried out in previous postwar years again took place. As well, local movements were carried out within the five main regions as required, chiefly for apple and potato picking. No organized movements were carried out in British Columbia, although labour requirements were higher than was anticipated at the first of the season and it was necessary to speed up the flow of workers from within the province and from the Prairies by means of advertising. The principal movements, with the approximate number of workers involved given in brackets were as follows: hay and grain harvesters in Ontario from the Maritimes and the Prairies (1,200); grain harvesters to the Prairies from Eastern Canada (2,300); potato pickers to Maine from Quebec and New Brunswick (2,200); and tobacco workers to Ontario from the United States (1,700).

EMPLOYMENT SERVICE ACTIVITIES



Considerable significance can be attached to Employment Service activities during September, October and November when the pattern of seasonal unemployment is beginning to take shape. The two developments which stand out during this period are the relatively small numbers added to the active file of job-seekers and the fact that the upswing did not gain momentum until November. In both 1948 and 1949 registrations were already mounting rapidly during October.

Placements during this period continued to exceed the records of the previous three years and were maintained at a relatively high level in November. Clearance played a more important part in filling jobs during these months than in the same period of either of the two previous years. While movements of workers for temporary jobs in agriculture and logging mainly brought about the increase, there has been a greater tendency to use clearance in filling permanent vacancies for auto mechanics, die setters, construction tradesmen and other workers in short supply. It is evidence of the fact that local supplies of labour have been used up, especially in a number of the skilled occupations.

More of the placements this year than last during September and October were regular although one in seven still are casual, that is, for less than seven days duration. This proportion is slightly higher than in the same months in 1948.

The industrial distribution of placements during the fall and early winter months is particularly interesting. While a breakdown is not yet available for the month of November, figures for September and October show a fairly diversified placement record. A large number of

placements were made in the logging, construction and transportation industries. Those in manufacturing were larger both in number and in proportion to all placements than in either 1948 or 1949 during the same period. At the same time, the trade and service industries have decreased in importance as a source of jobs. It will be remembered that last winter when jobs were scarce the service industries were one of the few where hiring was active. When job opportunities are few, women turn more to waitress and domestic work while men are often willing to accept lower-paid jobs in various service industries.

By the beginning of December there were 43,000 jobs on file at National Employment Service offices. This was 92 per cent higher than at the same date last year and 34 per cent more than in 1948. Despite this decided improvement, hiring standards are still high and it will be difficult during the coming winter months for many workers with no particular qualifications to get jobs.

The live file at the December 1 date showed 124,800 applications from men and 61,500 from women. Male applications had fallen by about 40,000 over the year but female applications had risen by 5,000.

The decline in applications from men over the year has been mainly in the unskilled occupations. Many men who were unemployed in 1949 at this time are now working in logging camps. This has cut down on registrations for unskilled work in many industry groups. In the skilled and semi-skilled group the drop in registrations was mainly in the metal-working and electrical trades, although the numbers involved were much smaller than in the unskilled trades.

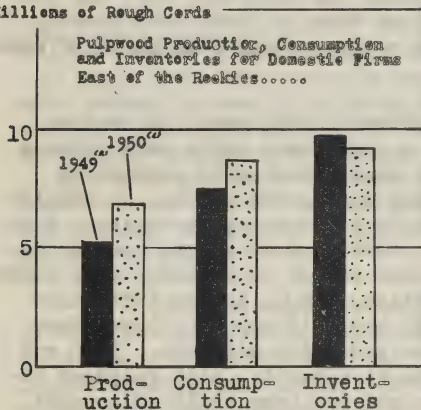
Most of the increase in applications from women over the year has been in the clerical and sales occupations, although there are also more women registered for unskilled work. The new regulations regarding married women collecting unemployment insurance has had some effect on registrations for employment and a contra-seasonal decline in applications occurred during the last week in November.

Looking more closely at the month of November, it was evident that the seasonal decline now was well under way. Some 39,000 applications were added during the four weeks November 2 to 30 with all regions but Newfoundland showing decided gains. A little less than half of the new applications were from persons in unskilled occupations, most of whom were registered for general work. Applications from skilled and semi-skilled workers in construction rose by 6,000 and in transportation by 3,000. At the same time, unfilled vacancies fell off by 7,000 with the decline mainly in occupations where registrations were increasing. One of the few occupations to show a rise in vacancies during the month was sales where jobs were being reported for the Christmas trade. Claims for unemployment insurance increased by 35,000 during November to total 125,000 at December 1 with \$4.2 million paid out in unemployment insurance benefits during the month.

INDUSTRIAL LABOUR MARKET

LOGGING

Millions of Rough Cords



" first 10 months of each year.

arranged by the National Employment Service through clearance orders.

Eastern logging operations were at the peak of cutting in November in one of the busiest years on record. The influx of men was heavy during the month as farm and construction work finished. As a result, the condition of general labour shortage in the industry which existed early in the fall was changing to one of "spot" shortages. Labour was still needed in some areas of northern Ontario and in parts of Quebec. Manpower requirements were nearly completed at the Head of the Lakes as a heavy movement of workers from the Prairies took place during the month. Much of this transfer of labour was arranged by the National Employment Service through clearance orders.

With the heavy cut which has been going on since June of this year, pulpwood production has been much higher in 1950 than in the previous year. In the first ten months, 6.9 million cords were cut this year for domestic mills east of the Rockies, compared to 5.2 million in 1949. Consumption has also risen, and the pulp and paper industry east of the Rockies now processes over 900,000 rough cords of pulpwood per month. As a result, inventories are still below what is considered as normal requirements, about 13 or 14 months' supply. At the first of November, about 9.3 million cords were on hand in all land and water positions, enough for about 9 or 10 months consumption.

The logging industry was also active in British Columbia, although operations were hampered by weather conditions. Due to snowfalls or heavy rains, temporary suspension of operations, usually just for a day or two, was necessary in several areas. Men from the Prairies were moving into the province during November and the only shortages of labour were among the more highly skilled operations. The Dominion Bureau of Statistics index of B.C. logging employment at October 1 was 177.8, on the base June 1, 1941=100. At October 1, 1949, the comparable figure was 158.0. The total number of wage-earners reported as employed in the logging industry, by firms employing fifteen persons or more, was about 17,000 at October 1 this year.

MANUFACTURING Food products: During November, fruit and vegetable plants were finishing their season's work and releasing their staffs, some of whom were moving into other temporary work such as tobacco processing. Soft drink manufacturers were also curtailing production as colder weather set in. The candy manufacturing industry was at peak production for the first part of November, but lay-offs began during the last week of the month as Christmas work was completed. Flour mills and meat packing firms were in their busy season, although reduced stock receipts affected employment in some parts of western Canada.

Secondary forestry products: Sawmill employment in eastern Canada was declining during November as a great many mills were closing down for the season. Some of the larger mills which were continuing operations reported a shortage of saw-logs during the month. In British Columbia, the lumber industry was generally at capacity operations, with the exception of the shingle industry in which lay-offs were continuing, and a few closures in the northern interior and in areas where poor roads prevented log deliveries. Lumber production in B.C. in the first nine months of the year was 1,800,000,000 FBM, about 15 per cent above the same period last year. Labour supply was generally adequate. Pulp and paper mills in all provinces were running at capacity, with pulpwood requirements so high that inventories have not yet been built up to what are considered normal levels. At the beginning of November, stocks on hand in all land and water positions in domestic mills were estimated at 9.5 million rough cords compared to 10.2 million at the same date last year.

Textiles: In contrast with 1949, most textile plants were busy this fall with fewer lay-offs and less short-time work. There was some movement of workers to defence plants but labour was generally in good supply, although a shortage of loopers and seamers was reported by several hosiery plants. Experienced weavers were reported as scarce by some primary textile plants. Defence contracts received to the end of November have created some jobs in the textile industry although the \$34,000,000 total of contracts does not bulk very large as yet in an industry whose gross value of production now is over one billion dollars annually.

Iron and steel industries: This industry group was the centre of much of the employment expansion in the manufacturing industry during November. Defence contracts have provided some of this impetus at the same time as demand for both consumer durable goods and producers' goods was also expanding. Up to the end of November, defence contracts let in this group totalled \$483,000,000, allotted as follows: aircraft, \$315,000,000; shipbuilding, \$95,000,000; motor vehicles, \$48,000,000 and armament firms, \$25,000,000.

Steel shortages were critical during the month and affected employment in two ways. First, employment has expanded in the basic steel industry to satisfy the strong demand and in secondary steel-using indus-

tries to the limit of available supplies. At the same time, occasional lay-offs were made in a number of firms, even though employment was high, and expansion of operations was limited by the shortages in some instances. On the whole, the number of workers losing employment for any considerable period of time was not significant in terms of the total number at work.

CONSTRUCTION Construction activity during November was unusually high for that time of year, although lay-offs became increasingly heavy as the season progressed and more and more projects were completed. Weather conditions in most areas were favourable enough to permit the continuation of outside work, except in the Prairies where sub-zero weather was experienced towards the month's end. Since the season was coming to an end, demand for labour was low and the number of unemployed construction workers increased during the month.

These changes are reflected in the statistics on the number of applications for work received in the National Employment Service from construction workers. At the end of November, there were nearly 21,000 applications on file in all offices in Canada, as against 11,000 at the beginning of the month. At December 1, 1949, the total was 27,000.

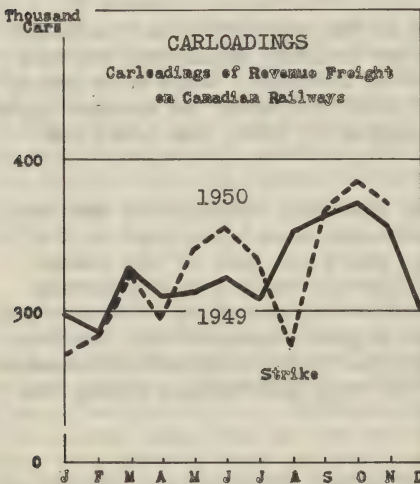
In the building construction industry, unqualified men were being laid off first; most skilled tradesmen were being kept on for inside work. In highway construction, where the bulk of the labour force can be classified as labourers, lay-offs were proportionately heavier as this type of work is more severely affected by weather conditions. Many of the workers engaged in highway construction, however, especially those employed by municipalities and provincial governments were being kept on for snow clearing and road maintenance during the winter months.

TRADE In spite of the recent credit restrictions imposed on instalment buying by the Federal government, which became effective on November 1, extreme buoyancy continues in nearly every category of retail trade and sales gives every promise of exceeding those in November, 1949. The 33-1/3% down payment now required on automobiles, motorcycles and other motor vehicles except trucks and buses is not expected to curtail the continuing strong demand for automobiles, since terms imposed by finance companies have usually required a down payment of one-third of the purchase price. On goods other than automobiles bought on the instalment plan, purchasers now would be required by the new ruling to make a down-payment of at least 20 per cent, with the instalments limited to 18 months. Nevertheless, purchases of household appliances have continued to make up a large portion of retail buying.

Several factors have contributed to the continuing high level of consumer buying: first, the current high labour income, now being bolstered by wage increases in several firms; secondly, some forward buying, especially of consumer durables, in case these items should become in short supply; thirdly, seasonal buying of winter clothing; fourthly, early Christmas shopping.

Although by the end of November, extra hiring had been completed to take care of the Christmas trade in nearly every town and city, no shortage of help for saleswork was evident. The additional employment at this time, however, provided opportunities for many part-time workers, especially married women, who have been seeking temporary employment. In many cases, stores take on the same part-time help year after year. Most stores now have their complement of workers.

TRANSPORTATION



The general increase in economic activity this fall, together with the seasonal crop movements, resulted in an extra burden on the transportation industry and expanded employment. This increase was offset in part by lay-offs in some sections of the industry during November. In the railways, section hands, extra gangs and running tradesmen were laid off in all divisions. With inland ports closing, large numbers of stevedores were seeking other jobs.

In the movement of the western wheat crop, car receipts during November showed a decrease from last year. The movement of grain was complicated by the late harvest, shortage of railway cars and ships, and the large amount of damp grain.

At the close of the season, an eight per cent across-the-board wage increase was granted to crew members of six lake shipping companies. This increase will bring the 1951 monthly wage scale to:

First Cook (Upper Laker)...	\$255.00	First Cook (Canaller).....	\$245.00
Wheelsman.....	205.00	Watchman or Lookout.....	182.50
Deckhand.....	170.00	Oiler.....	205.00
Fireman.....	197.50	Coalpasser.....	170.00
Second Cook.....	177.50	Messman.....	170.00
		Porter.....	\$160.00

LAY-OFFS IN MANUFACTURING CONTINUE LIGHT

Employment conditions in Canadian manufacturing industries were extremely good during November, and consequently few non-seasonal lay-offs of any serious nature took place. The total of 2,515 lay-offs reported during the month was very small in relation to total employment. The heavy lay-offs which started in British Columbia shingle mills during October tapered off in November, while light lay-offs persisted because of steel shortages. In neither case has serious unemployment resulted.

Lay-offs in the transportation equipment industry, particularly shipbuilding, involved over 600 workers. The Canadian Vickers Ltd. at Montreal laid off 105 workers for about three months until new slips are ready; the Saint John Dry Dock Co. laid off 100 and the Collingwood Shipyards Ltd. released 300 workers when some of their contracts were completed. Not included in the table, but affecting some 5,000 workers, were the short lay-offs from General Motors of Canada Ltd. at Oshawa, and the Skinner Co. because of a model changeover. These are considered seasonal rather than non-seasonal lay-offs.

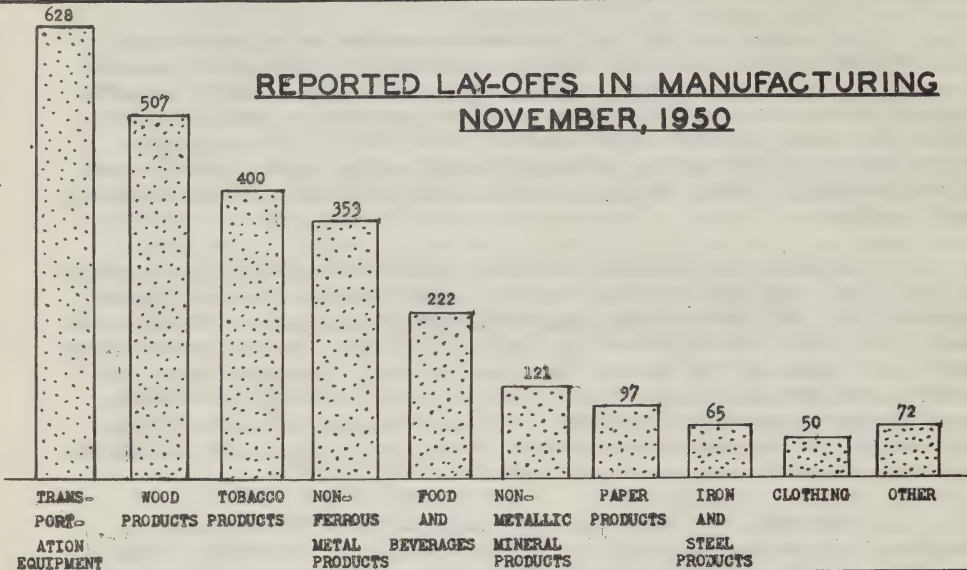
Lay-offs in British Columbia shingle mills totalled 220 in November, a marked reduction from the more than 500 in October. These lay-offs, due to loss of United States markets, have resulted in comparatively few cases of sustained unemployment, however, since many workers have been absorbed by other industries. Already, the British Columbia shingle industry shows signs of stabilizing but at a lower level because of reduced demand. In addition, to lay-offs from shingle mills, a sash and door factory at Burnaby burned down causing a lay-off of 118 men.

The current shortage of steel supplies has so far not resulted in widespread lay-offs. Only 152 workers were reported as released for this reason during the month, a smaller number than in September and October. The largest lay-off was 40 men from the National Steel Car Co. at Hamilton. Lay-offs of less than two weeks duration, which are not included in this survey, were fairly numerous although the number involved was light. In this regard, nearly all Ontario farm implement firms were hit by the steel shortage in November.

There were two fairly large lay-offs in the non-ferrous metal products industry. The Aluminum Co. of Canada Ltd. at Arvida laid off 200 workers due to the loss of some United States contracts but the industry as a whole is very busy. The General Novelties & Sea Pearl Products Co. at Riviere du Loup, Quebec closed down, releasing 133 workers - the reason given being a bad financial position.

In the tobacco industry, 400 workers were temporarily released by the W.C. MacDonald Inc. company at Montreal, because of the installation of new machinery.

REPORTED LAY-OFFS IN MANUFACTURING NOVEMBER, 1950



Reported Non-seasonal Lay-offs in Manufacturing by Industry

Industry	Reported Lay-offs (1) During November 1950		Employment at September 1, 1950 (2)	
	Number of Plants	Number of Workers	Number	Percentage Change from Previous Year
Iron and steel products.....	3	65	161,200	+ 2.7
Transportation equipment.....	8	628	132,600	+ 1.4
Food and beverages.....	3	222	131,500	- 4.1
Textile products.....	2	45	98,900	+ 0.7
Wood products.....	8	507	91,700	+ 7.7
Paper products.....	3	97	74,000	+ 3.0
Clothing.....	1	50	66,400	+ 0.6
Non-ferrous metals.....	3	353	45,800	- 1.8
Non-metallic mineral products.....	3	121	39,700	+ 2.3
Rubber products.....	1	27	22,200	+ 5.7
Tobacco products.....	1	400	9,500	- 5.5
Other (3).....	-	-	234,000	+ 3.8
Total.....	36	2,515	1,107,500	+ 1.8

(1) As reported by National Employment Service offices.

(2) Source: Employment and Payrolls Branch, D. B. S.

(3) Employment in the five industries in which no lay-offs took place in November, 1950.

INDUSTRIAL EXPANSION, FOURTH QUARTER, 1950

The last quarter of 1950 marked one of the most active periods of plant expansion in Canada. A great deal of this activity was in the planning stage, arising out of the economic situation created by international conditions in the last half of the year. Many manufacturing firms decided to go ahead with expansion projects as demand was strong and shortages and restrictions were anticipated. The effect on employment in the manufacturing industry of this sharp increase in industrial expansion will not be felt until next year.

New jobs created through plant completions at the end of the year are more representative of the rate of industrial expansion in the first part of 1950. Although the rate then was not as marked as in the latter part of the year the number of new jobs resulting in manufacturing plants was still substantial. A total of 4,200 were reported to the Department of Labour, bringing the total for the year to about 12,000. This represents an increase of nearly 50 per cent over 1949 in manufacturing hirings from plant completions.

In contrast with previous years, there were not so many large employers opening up new plants during 1950. There were, however, five plants which came into operation in the last quarter which will employ 100 workers or more. These were McKinnon Industries Ltd., St. Catharines, Ont.—600; Quebec Iron and Titanium Corp., Sorel, Quebec—300; Shell Oil Ltd., Montreal, Que.—150-200; St. Regis Paper Co., St. John's Que.—150 and Allis-Chalmers Rumely Ltd, St. Thomas, Ont.,—about 100 workers.

The industrial distribution of new employment from plant expansion in the last quarter indicates that the total was well spread among the various industry groups. This is shown in the following table:

<u>Industry</u>	<u>Number of New Jobs</u>
Chemical Products	300
Electrical Apparatus	170
Food & Beverages	340
Iron & Steel Products	1,300
Leather Products	50
Non-ferrous Metal Products	510
Non-metallic Mineral Products	50
Paper Products	300
Petroleum Products	200
Rubber Products	80
Textiles	270
Transportation Equipment	600
Wood Products	30
Total	<u>4,200</u>

SELECTED INDUSTRIAL EXPANSION PROJECTS

completed in

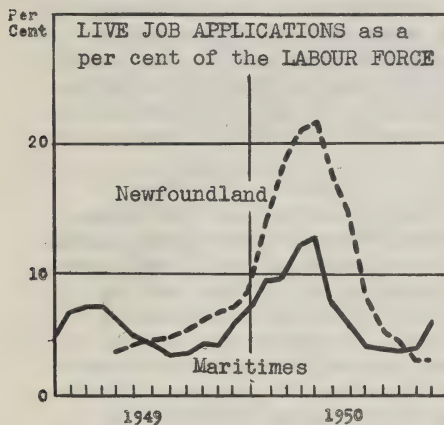
- Fourth Quarter, 1950 -

Area	Name of Company	Industry	Number of New Employees (1)
<u>Atlantic</u>			
Bathurst, N.B.	Bathurst Power & Paper Co. Limited	Paper Products	50
<u>Quebec</u>			
Montreal	Shell Oil Company of Canada, Limited	Petroleum Products	150-200
	Shipping Containers, Ltd.	Paper Products	70
Sherbrooke	Prospect Shoe Co. Ltd.,	Leather Products	40-50
Sorel	Quebec Iron and Titanium Corporation	Non-Ferrous Metal Products	300
Three Rivers	The J. A. Gosselin Co. Ltd.	Non-Ferrous Metal Products	55
<u>Ontario</u>			
Collingwood	Georgian China Ltd.	Non-metallic Minerals	30
Georgetown	Commercial Displays Ltd.	Iron & Steel Prod.	80-100
Hamilton	Dominion Fasteners Ltd.	Iron & Steel Prod.	50-100
Kingston	Canadian Industries Ltd.	Textiles	245
London	General Steel Wares Ltd.	Iron & Steel Prod.	25
New Toronto	Goodyear Tire & Rubber Co. of Canada, Limited	Rubber Products	40-50
St. Catharines	The McKinnon Industries, Limited	Transportation Equip.	600
St. Thomas	Allis-Chalmers Rumely, Ltd. Seeley Systems Corporation Limited	Iron & Steel Prod.	90-110
Wallaceburg	Dura-Chrome Limited	Paper Products Non-ferrous Metal Products	15 8
<u>Prairies</u>			
Flin Flon	Hudson Bay Mining and Smelting Co. Limited	Non-ferrous Metal Products	142

(1) All employment information contained in the table has been confirmed by direct contact with the firms concerned.

REGIONAL LABOUR MARKET

ATLANTIC



NEWFOUNDLAND

The November employment picture in Newfoundland was one of generally sustained activity in the woods, in construction, in mining and in fishing. The approach of winter however, brought a few more construction workers and fishermen into the labour market.

The net result was a slight upturn in the number of registrations at Newfoundland offices of the National Employment Service, ending a decline that had continued until past the middle of the month. By November 30, applications for work totalled 3,300, almost 57 per cent

below the level a year earlier. The current total represents 2.8 per cent of the estimated Newfoundland labour force, well below the all-Canada ratio of 3.5 per cent at the same date.

The Government of Newfoundland, during the month, introduced new regulations controlling wastage in the woods, which require the sale to the paper companies of those portions of lumber logs formerly left to rot; and discussed, as well, the withdrawal of financial assistance to shipbuilding for the Labrador fishery as a means of discouraging the prosecution of that fishery, since the market for fish caught there has deteriorated. The effect of the latter, if implemented, will be gradually to force a large number of men, especially from the East coast, into the prosecution of other fisheries, or into other industries.

In the ST. JOHN'S area, the usual seasonal lay-off of surface workers at the Wabana iron mines, scheduled to take place during the latter half of December, may be more than offset by the addition of a second shift at another mine at the beginning of January. Conditions generally around GRAND FALLS are expected to benefit from a wage increase granted to pulp and paper mill workers there.

MARITIMES

The seasonal decline in employment in the Maritimes became definitely established during November, as farming, fishing, fish processing and some construction began to release workers in increasing numbers.

Registrations with National Employment Service offices in the Maritimes rose from 17,000 at November 2 to a month-end total of 20,500; or from 3.8 per cent of the estimated labour force of three provinces to 4.6 per cent. Registrations currently, however, remain over 19 per cent below the comparable 1949 figure.

Extensive pulpwood and lumber cutting continued, although hampered by wet weather; and the demand for woods workers slackened as camps became fully staffed. Recently obtained British orders for lumber and pit props will augment the already heavy cutting programs planned for the Maritimes woods this winter, and the opening of sawmills after the freeze-up, when logs become available, will absorb substantial numbers of workers from the growing labour surplus.

The volume of production in both coal mining and the primary iron and steel industry appears likely to be maintained this winter, accompanied, with consequent high employment. The relatively tight steel market, however, threatens to interrupt the production of railway rolling stock in addition to delaying the start of work on R.C.N. shipbuilding contracts. Shipyards in HALIFAX and SAINT JOHN, therefore are relying on repair jobs to maintain activity this winter, and will be able to offer only sporadic employment to a relatively small number of persons. Shortages of structural steel and other materials have delayed construction work, and some new projects have been postponed.

The slow market and low prices for potatoes has reduced farm income in the potato-growing areas, especially in PRINCE EDWARD ISLAND and around WOODSTOCK. As a result, farmers are keeping fewer men for winter work and a larger-than-usual surplus of farm labour has developed. Many men are leaving the region to seek work in central Canada.

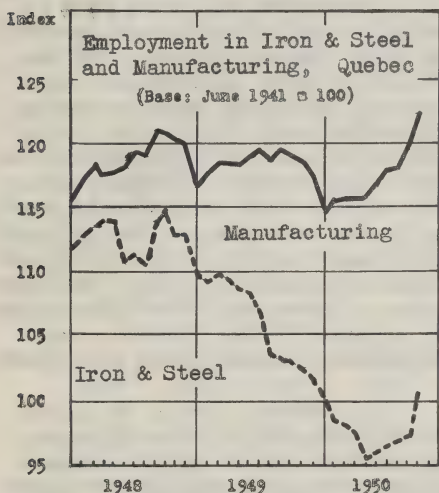
QUEBEC

The month of November saw the seasonal increase in job-seekers in Quebec well under way. Although holding up well, and with bright prospects for the winter in many areas, the construction industry released a considerable number of workers during the month as some projects were completed, and others postponed because of steel and cement shortages. Men were also being released from agriculture, water transportation and some phases of pulp and paper mill operations. In addition, the demand for pulp cutters and other bush workers slackened noticeable, and the expansion of sawmilling activity was retarded by continuing mild weather.

These factors, together with some slackness in textiles, clothing and wood products manufacturing in scattered areas, contributed to an increasing surplus of manpower in the Quebec region. Job applications in National Employment Service files throughout the region rose by almost 10,000 during November. The month-end total of 55,200, however, remains about 18 per cent below the comparable total in 1949, when woods activity

was very slack. Registered job-seekers at November 30 represented 3.8 per cent of the estimated regional labour force, as against 4.7 per cent a year earlier.

Skilled pulp cutters have not been as plentiful as employers would have liked, due in part to their movement to higher-wage cutting areas in Ontario. Accordingly, there are indications of extended cutting seasons being planned in some areas, especially around MATANE, where cutting may continue into March or April.



Small lay-offs and some short-time work have been occasioned in the heavy industries of MONTREAL and other centres by shortages of steel, which may become more serious. The demand for steelworking skills, however, and for aircraft production workers, continues strong and scarcities in these lines seem likely to become greater.

Cancellation of U.S. orders for aluminum has reduced expansion in productive facilities and caused a lay-off affecting perhaps 200 workers in the CHICOUTIMI area.

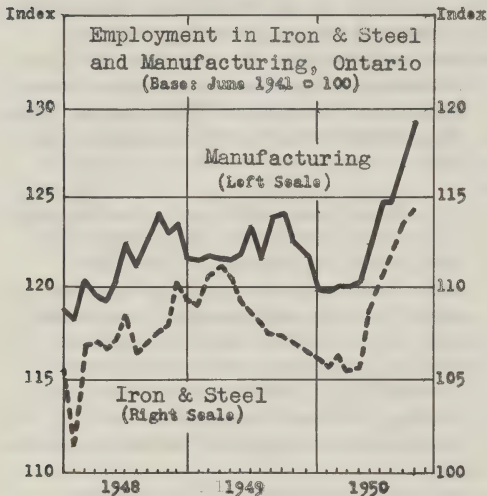
ONTARIO

Gradually increasing numbers of workers were being released from agriculture, seasonal manufacturing and construction during November--in the last instance due to delays and postponements caused by material shortages as well as to the usual seasonal slackening. The growing surplus of manpower in Ontario was reflected in an increase of slightly more than 8,000 in the total number of active job applications in National Employment Service files throughout the region over the month.

Although male registrations accounted for more than 7,000 of this increase, there were still 12,000 fewer men seeking jobs through the facilities of the Employment Service at November 30 than there were a year earlier. The month-end total of 46,700 applications for work was 19 per cent below the comparable 1949 total, and represents 2.5 per cent of the estimated regional labour force at that time, as against 3.1 per cent in 1949.

During the month, under the continuing impetus of strong consumer demand and increasing governmental expenditures for defence purposes,

manufacturing activity and employment in the region continued to expand. This expansion was hampered in some industries by spotty lay-offs and short-time work due to the growing difficulty of obtaining certain materials, especially steel, and by the relative scarcity of some types of skilled workers.



Industries beginning work on defence contracts, although concerned about the implications for the future of these and possibly more serious shortages, were conducting intensive recruiting campaigns in search of such skills as machinists, tool and die makers, foundry moulders and aircraft production workers, using for this purpose the National Employment Service, advertising and itinerant representatives. The scarcity of these skills was particularly apparent in the TORONTO area, BRANTFORD, NIAGARA FALLS and OTTAWA.

In WINDSOR, during the month, a combination of labour disputes, model change-overs and material shortages kept upwards of 20,000 persons intermittently on and off the job at auto manufacturing and feeder plants. A large number were still on indefinite lay-off at the end of November.

Although the overall demand for bush workers had eased by the end of the month, jobs in the woods were still relatively numerous, especially for skilled pulp cutters. In the TIMMINS area, pulp and paper companies were awaiting the arrival of displaced persons to open additional bush camps.

PRAIRIE

The weather was the main factor in the labour market developments here during November. The accompanying chart illustrates how very closely employment in construction is related to falling temperatures. Altogether, about three-fifths of the labour force is engaged in occupations which are directly dependent upon the weather, and the effects of a severe winter on the level of activity are proportionate. In contrast with last year, when the winter was comparatively mild until Christmas, low temperatures with snow were general by the middle of November. Highway, railroad construction and maintenance ceased, and in most areas the decline in building construction was sharply accelerated, with resultant lay-offs in these and allied industries.

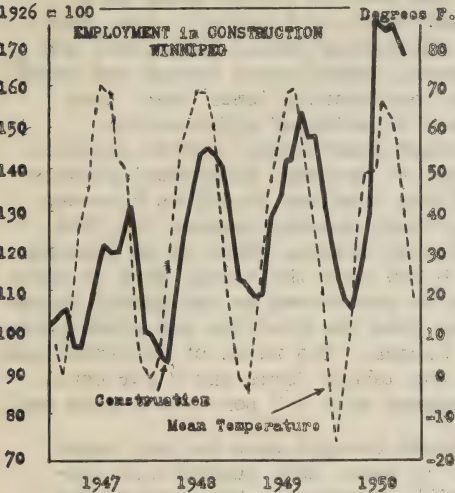
Harvesting operations also ceased, with as much as 50 per cent

of the crop in parts of the northern areas still in the fields. This, together with the low grading, and consequent low prices of about one-half of the total crop, has brought into the labour force some farmers

who would normally remain at home. It has also had some depressing effect on retail trade, but as an offsetting factors, the final payments for last year's coarse grain crop, amounting to \$42,000,000, were distributed during the month.

With the decline in activity, total registrations at National Employment offices rose during the month from 20,500 to 30,500 at November 30, with noticeable increases in such occupations as construction tradesmen, truck drivers, and unskilled labour.

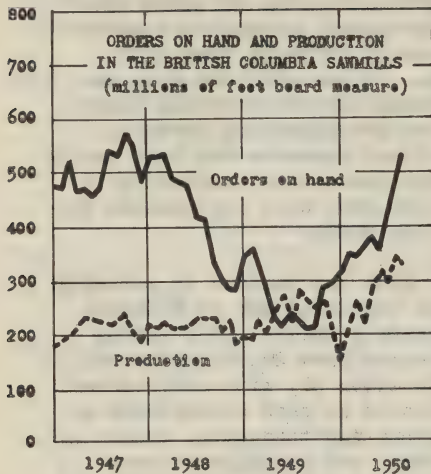
This level of registration is over 3 per cent of the estimated regional labour force. It



is slightly higher than last year, and about 50 per cent higher than the 1948 level. But it should be remembered that last year the weather was comparatively mild and unemployment at this time was largely the result of a decline in logging and general market uncertainty, while the unemployment resulting from the freeze-up arrived later. This year, the unemployment resulting from the severe weather has already occurred, logging employment is high and the defence orders, while not affecting the region directly to any great extent, have created a feeling of optimism in business. While unemployment figures will undoubtedly continue to rise, it is unlikely that they will reach the level of last year.

The extent of the employment decline varied considerably within the region, being greatest in the north and in the centres of heavy construction activity, least in the south and in the logging areas. At EDMONTON and CALGARY, for example, where construction has been particularly high, the increase in active registrations over last year was 30 and 24 per cent, respectively. At the LAKEHEAD, registrations were but half last year's total. In this area, manpower requirements in the woods were almost satisfied, and the pulp-cutting program, despite a slowdown caused by heavy snow, was up to date. It is expected, however, that operations will continue well into the new year. In southern Saskatchewan and Alberta, the seasonal upswing in coal production created a strong demand for certified miners.

PACIFIC



With the seasonal slackening in some industries, principally forestry and construction, activity in the Pacific region moved to a lower level in November. But, due to the strong demand for metals and lumber, unemployment during the month was consistently lower than last year, in spite of unfavourable weather conditions. Active registrations at National Employment Service offices totalled 30,000 on November 30, about mid-way between the 1948 and 1949 levels. This is an increase of 8,000 over the month, part of which may be attributed to the annual migration from the Prairies and other parts of Canada. The ratio of registrations to the labour force was 7 per cent, compared with 7.3 per cent a year ago.

Two cold waves early in the month brought snow to many areas about six weeks earlier than last year. In most, this caused only temporary interruptions in logging and sawmill operations, but some of the smaller concerns, and those working at high levels, will remain closed until after the New Year. Some independent sawmills closed until their supply of logs became more certain and shingle mills, faced with continuing uncertainty in the United States market, are still working on a reduced scale. But with firm United Kingdom contracts, the major part of the industry will continue to operate as long as the weather permits. There was, however, an increase of 1,800 forestry job-applications over the month.

Seasonal slow-downs in construction, hastened somewhat by the snow and rain, also contributed to the lower level of employment. Though there were still opportunities for plasterers and plumbers, a considerable surplus of carpenters and unskilled construction labour was apparent at the end of the month.

The employment outlook was considerably brighter than at this time last year, however, and some part of the improvement may be attributed to the expanding base metal industry. The greatest activity was in the NELSON area, where four mills were under construction to serve the new mining developments around Slocan Lake. New mines were opened at DUNCAN and WHITEHORSE and expansion continued at numerous other points in the region. Increased manpower requirements have been easily met so far by the movement of workers from other regions, except in PRINCE RUPERT, where an extreme shortage of housing accommodation makes it difficult to expand the working force.

